SENATE

WEDNESDAY, JUNE 20, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father in changing, troubled days, we pray for conceptions big enough and spirits strong enough to match the epic time in which we live and serve—in this age on ages telling. With our minds startled by the swift march of world-shaking events, we bow at this wayside altar of prayer. Hidden fires are flaming forth consuming the old habitations of men. We hear voices that challenge all that has been counted fixed and final and sure. Nations and men in chains are stirring with hopes that savage repression cannot kill. For social systems which have sentenced the masses to grinding poverty, for industrial theories which hold human life more cheap than merchandise, may the ax be at the root of the rotted tree—as in all the turmoil of our times Thou are sifting out the souls of men beneath Thy judgment seat. Make us eager partners of Thy eternal purpose for all Thy children when under every sky men shall stand side by side in equal worth and unfettered freedom, all toiling and all reaping, with gratitude to Thee, the source of their blessings and the Father of all mankind. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 19, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Tribbe, one of his secretaries, and he announced that on today, June 20, 1956, the President had approved and signed the act (S. 872) for the relief of Sam Bergesen.

REPORT OF OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 20, 1956.*

REPORT OF NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Banking and Currency:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a report of the National Advisory Council on International Monetary and Financial Problems submitted to me through its chairman, covering its operations from July 1 to December 31, 1955, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 20, 1956.*

LEAVE OF ABSENCE

Mr. CAPEHART. Mr. President, should the Senate be in session on June 26, 27, 28, and 29, I ask unanimous consent to be absent in order to attend the Republican State convention in my home State of Indiana, where I am a candidate for renomination to the United States Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations, the Subcommittee on the Air Force of the Committee on Armed Services, and the Business and Commerce Subcommittee of the Committee on the District of Columbia were authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour. I ask unanimous consent that statements made in connection with the transaction of the routine morning business be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RESOLUTIONS OF THE NORTHERN SYNOD, EVANGELICAL AND REFORMED CHURCH

Mr. HUMPHREY. Mr. President, the Northern Synod of the Evangelical and Reformed Church recently adopted two resolutions at the annual synod meeting. The first urges the elimination of discriminatory provisions in our immigration and naturalization laws, and the second urges the expansion of our technical assistance programs, particularly through the United Nations.

I support both of these objectives wholeheartedly and ask unanimous consent that the text of the resolutions be printed at this point in my remarks.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

NORTHERN SYNOD,
EVANGELICAL AND REFORMED CHURCH,
June 14, 1956.

Senator HUBERT H. HUMPHREY,
Congressional Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: At our annual synod meeting held April 24–26 our committee for Christian social action presented the following resolutions which were unanimously adopted:

"A. That the synod affirm the obligation which rests upon the United States to eliminate from its immigration and naturalization laws all provisions which discriminate against persons on the basis of race; to provide for a more equitable quota basis and a more flexible use of quotas so that more worthy persons may enter this country from lands whose quotas are presently exhausted; and to provide for a system of fair hearings and appeals covering unjust deportation orders or refusa' of visas.

"B. That the synod urge the International Cooperation Administration, the Committee on Foreign Relations of the United States Senate, and the Members of Congress representing its constituency to support and expand our support of technical assistance, particularly through the channels of the United Nations, and to allot adequate sums to give such programs effectiveness and stability."

We are sure that you are in agreement with the objectives of these two resolutions and request that you do what you can to secure favorable action on them.

Sincerely yours,

H. REIFSCHNEIDER,
President.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H. R. 6029. A bill for the relief of Robert D. Grier (individually, and as executor of the estate of Katie C. Grier) and Jane Grier Hawthorne (Rept. No. 2277).

By Mr. MANSFIELD, from the Committee on Foreign Relations, without amendment:

S. Res. 285. Resolution arranging for exhaustive studies to be made regarding foreign assistance by the United States Government (Rept. No. 2278).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HAYDEN (for himself, Mr. GOLDWATER, Mr. ANDERSON, and Mr. CHAVEZ):

S. 4086. A bill to determine the rights and interests of the Navajo Tribe, Hopi Tribe, and individual Indians to the area set aside by the Executive order of December 6, 1882, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LONG:

S. 4087. A bill for the relief of Verdi Adam; to the Committee on the Judiciary.

By Mr. CAPEHART:

S. 4088. A bill to provide additional visas for certain aliens of Greek ethnic origin residing in Greece; to the Committee on the Judiciary.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. GOLDWATER:

S. 4089. A bill to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes; to the Committee on Foreign Relations.

By Mr. BENDER:

S. 4090. A bill for the relief of Kalman Novak; to the Committee on the Judiciary.

By Mr. BEALL (by request):

S. 4091. A bill for the relief of Kyonghi Hong; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. 4092. A bill to provide for the appointment of an Assistant Secretary of State for International Cultural Relations; to the Committee on Foreign Relations.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 4093. A bill for the relief of Sally Ann Probert; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 4094. A bill amending the International Claims Settlement Act of 1949, as amended, relative to reductions in certain Federal income and excess profits taxes; to the Committee on Foreign Relations.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

PRINTING OF REVISION OF HOUSE DOCUMENT 210, ENTITLED "HOW OUR LAWS ARE MADE"

Mr. KENNEDY submitted the following resolution (S. Res. 293), which was referred to the Committee on Rules and Administration:

Resolved, That the revision of the document entitled "How Our Laws Are Made" (H. Doc. No. 210, 83d Cong.), by Charles J. Zinn, law revision counsel of the Committee on the Judiciary, House of Representatives, be printed as a Senate document, and that 15,000 additional copies of such document be printed for the use of the Members of the Senate.

ADDITIONAL VISAS FOR CERTAIN ALIENS OF GREEK ETHNIC ORIGIN

Mr. CAPEHART. Mr. President, I am sure that every Member of the Senate numbers among his friends, as I do, hundreds of Greek-Americans who are such fine citizens of our Nation.

I am certain, also, that every Member of the Senate has watched with interest and admiration the fine work of the Order of AHEPA and the AHEPA Refugee Relief Committee.

In the State of Indiana, as in all other States, AHEPA continues its work with great vigor, but feels the need of some assistance from the Congress in furthering its valiant efforts.

I have been working with these fine folk to formulate legislation which would be helpful to their program. Mr. President, I introduce, for appropriate reference, a bill which these fine people assure me will accomplish their worthy purpose.

The bill proposes to amend the Refugee Relief Act of 1953 by providing that from any special nonquota immigrant visas allotted to aliens under section 4 (a) of such act which remain unissued on January 1, 1957, there shall be made available for issuance to aliens of Greek ethnic origin residing in Greece—whether or not refugees within the meaning of the Refugee Relief Act of 1953—the following: First, not more than 4,000 shall be available to aliens residing in Greece who served in the military forces of such country during World War I, World War II, or the Korean conflict; second, not more than 2,000 shall be available to aliens residing in Greece who are the parents, brothers, sisters, sons, or daughters of citizens of the United States; and third, not more than 500 shall be available to eligible orphans residing in Greece who are under 14 years of age.

The visas authorized to be issued under the provisions of the bill may be issued until December 31, 1957.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 4088) to provide additional visas for certain aliens of Greek ethnic origin residing in Greece, introduced by Mr. CAPEHART, was received, read twice by its title, and referred to the Committee on the Judiciary.

APPOINTMENT OF AN ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL CULTURAL RELATIONS

Mr. FULBRIGHT. Mr. President, I introduce a bill, and ask that it be appropriately referred. The bill has been prepared in an effort to put into effect the recommendations of Dr. J. L. Morrill, the distinguished president of the University of Minnesota, who was employed by the Department of State to review the exchange programs. I introduce the bill to call it to the attention of the Senate. I do not expect to press for its present enactment; but I hope Senators will give it their attention and in that way perhaps an appropriate bill may be developed.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 4092) to provide for the appointment of an Assistant Secretary of State for International Cultural Relations, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Foreign Relations.

AMENDMENT OF ROBINSON-PATMAN ACT, RELATING TO EQUALITY OF OPPORTUNITY—AMENDMENT

Mr. CAPEHART submitted an amendment, intended to be proposed by him, to the bill (S. 11) to amend the Robinson-Patman Act with reference to equality of opportunity, which was referred to the Committee on the Judiciary, and ordered to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS TO DEPARTMENT OF DEFENSE APPROPRIATION BILL

Mr. CHAVEZ submitted the following notice in writing:

In accordance with rule XI, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill H. R. 10986 making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, the following amendments, namely:

On page 47, after line 16, insert:

"SEC. 634. During the fiscal year 1957 there is hereby authorized to be transferred to the Air Force Industrial Fund not to exceed $40 million from the Navy Industrial Fund and not to exceed $110 million from the Army Industrial Fund."

On page 47, after line 16, insert:

"SEC. 635. Appropriations available to the Department of Defense for major procurement of aircraft and missiles shall be available for expenses of development."

Mr. CHAVEZ also submitted amendments, intended to be proposed by him, to House bill 10986, making appropriations for the Department of Defense for fiscal year ending June 30, 1957, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

COMPULSORY INSPECTION OF POULTRY AND POULTRY PRODUCTS—ADDITIONAL COSPONSOR OF BILL

Mr. POTTER. Mr. President, I ask unanimous consent that the name of the Senator from Maryland [Mr. BEALL] may be added as an additional cosponsor to the bill (S. 3588) to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products, introduced by the Senator from Vermont [Mr. AIKEN], for himself and other Senators, on April 11, 1956.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MANSFIELD:

Address entitled "Our Heritage of Freedom," delivered by him at the baccalaureate service, Montana State University, Missoula, Mont., on June 3, 1956.

By Mr. GOLDWATER:

Address delivered by Senator PURTELL placing in nomination Senator BUSH, and excerpts from keynote address by Leonard W. Hall, at the Connecticut Republican State Convention on June 19, 1956.

THE PREFERENCE CLAUSE IN FEDERAL POWER LEGISLATION

Mr. LEHMAN. Mr. President, the Watertown Times, of Watertown, N. Y., has published a series of three excellent articles written by its Washington corre-

spondent, Alan Emory, on the history of the preference clause in Federal power legislation and its importance to the Niagara power bill now pending before the House Committee on Public Works.

I ask unanimous consent that these three articles be printed in the body of the RECORD at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Watertown (N. Y.) Daily Times of June 7, 1956]

PREFERENCE CLAUSE LONG AT CENTER OF DISPUTE ON POWER—PROVIDES PRIORITY IN SALE OF POWER TO PUBLICLY OWNED NONPROFIT GROUPS

(Senator HERBERT H. LEHMAN'S Niagara power bill was fought in the Senate almost entirely on the issue of the preference clause. The history of that provision, what it means, what it does, the arguments for and against it and its particular position in the Niagara power battle are discussed in a series of three articles starting today.)

(By Alan S. Emory)

I

WASHINGTON, June 7.—The most controversial word in the whole public-private power dispute is "preference."

The preference clause was at the heart of the Senate debate on Niagara power. That single provision of Senator HERBERT H. LEHMAN'S bill to let the State of New York build a huge hydroelectric plant at Niagara Falls aroused the heated opposition of the other State Senator, IRVING M. IVES.

Senator LEHMAN is a Democrat, Senator IVES a Republican, yet it was under a Republican, President Theodore Roosevelt, that the preference clause got its first real impetus.

It has been reinforced at least 13 times in congressional statutes since then.

Senator LEHMAN'S bill specifies that the New York State Power Authority, in selling Niagara energy, shall give equal preference to counties and municipalities, including their agencies or instrumentalities, New York agencies and departments, rural electric cooperatives not organized for profit and Federal defense units.

Proponents of the preference clause argue that the first crack at buying power from publicly developed projects should go to publicly owned nonprofit organizations, like local governments. Opponents argue that such arrangements constitute discrimination against customers of private utility companies who are more numerous.

According to a Library of Congress study this year by Wallace R. Vawter and Barbara Jibrin, prepared at the request of Senator RICHARD L. NEUBERGER, Democrat, Oregon, "there has been a continuous and consistent provision by the Congress that public agencies should have preference in the purchase of surplus power from Federal projects."

The latest expression of this policy, now 50-plus years old, came in the 1954 atomic energy law, when Congress directed that the byproduct heat and energy from atomic installations should be sold under preference provisions.

"Here, even with incidental power and in a wholly new field of energy development, the Congress has insisted on a preference clause," the study reported.

Public ownership and operation of waterpower sites along rivers existed long before the United States was established and can be traced to New Hampshire in the 1630's. There was a public preference in the disposition of surplus reclamation water back in 1877.

Twenty-six years later, President Theodore Roosevelt vetoed the Muscle Shoals, Ala., dam bill and in his message called for a survey aimed at a new power policy to "best conserve the public interest."

On April 16, 1906, the policy took form in the Reclamation Act, which authorized the Federal Government to lease surplus power with preference to municipal customers. This, the Library of Congress report said, gave evidence of "intention that the power benefits should be widespread, rather than monopolized by a private corporation."

Following this act Presidents Roosevelt and William Howard Taft vetoed a succession of bills authorizing private companies to build hydroprojects on the Tennessee, Rainey, James, White, and Coosa Rivers.

Since then the preference clause has had a long legislative history, but Congress has generally followed the principle of selling power at the generating site, or bus bar, to the first customer to show up.

A sustained attack on the preference clause coincided with the entry into office of the Eisenhower administration. Public power advocates decried the administration's "partnership" policy, which, they claimed, led to the denial of proper public benefits from natural resources projects. The main target of their attack, Douglas McKay, has resigned the Interior Secretariat and is now a candidate for the Senate from Oregon.

Between 1906 and 1956 the preference clause had this history:

The Raker Act, 1913, granted the city of San Francisco authority to use national park land in the Sierra Nevada to store water and develop power, but the water and energy could be sold only to a municipality, municipal water district, or irrigation district. The courts upheld this law.

The Federal Power Act, 1920, set up the Federal Power Commission, classed power as a natural resource owned by the public, and ordered the FPC to give preference to State and municipal applications for hydro licenses on navigable waters.

The Boulder Canyon project law of 1928 repeated this theory.

The Tennessee Valley Authority law of 1933 said surplus power should be distributed with preference to "States, counties, municipalities, and cooperative organizations of citizens or farmers not organized or doing business for profit * * *."

The Rural Electrification Act of 1936 included the preference principle in regard to loans.

The Bonneville Power Act, 1937, required the agency running the project to give public bodies and cooperatives first chance to buy project energy and stated Congress' policy that public bodies should always get such preference. Here Congress added a provision for withdrawing power committed to private companies by contract if the preference customers should eventually develop greater needs. Senator LEHMAN'S Niagara bill has this provision in it.

The Fort Peck Act, 1938, duplicated the Bonneville provisions.

The Flood Control Acts of 1938, 1944, and 1945 insisted that preference in the sale of public-project power go to public bodies and cooperatives.

An amendment to the reclamation law, 1939, authorized power contracts for periods of up to 40 years at rates approved by the Interior Department, but preference for public agencies was repeated.

The Water Conservation and Utilization Act, 1940, repeated the preference clause.

The atomic-energy law, 1954, specified that the Atomic Energy Commission "shall give preference and priority to public bodies and cooperatives or to privately owned utilities providing electric utility services to higher-cost areas not being served by public bodies or cooperatives." License applications from public or cooperative bodies "shall be given preferred consideration," the law said.

[From the Watertown (N. Y.) Daily Times of June 8, 1956]

PREFERENCE CLAUSE SOFT-PEDALED, MORE OR LESS, UNDER IKE—SEATON MAY LOOK MORE KINDLY UPON ITS ENFORCEMENT THAN DID MCKAY

(This is the second of three articles on the preference clause.)

(By Alan S. Emory)

II

WASHINGTON, June 8.—The controversial preference clause has been more or less soft-pedaled over the years the Eisenhower administration has been in power.

Former Secretary of the Interior Douglas McKay was of the opinion that it ought to be revised. His successor, Fred A. Seaton, comes from Nebraska, a public power State, and may look more kindly on its enforcement.

Yet, as far back as August 18, 1953, the Interior Department made a policy statement that all Federal natural resource facilities would be operated for the benefit of the general public and particularly of domestic and rural consumers and the Department will give preference and priority to public bodies and cooperatives.

The difference with preceding Democratic administrations was the declaration that the Department would not try to dispose of publicly developed power directly to consumers except under existing contracts.

In 1954 the Southwest Power Administration said that after preference customers used the power allocated under present contracts, plus a small upward revision, they would have to find other sources for additional power needs.

The Interior Department set up marketing criteria making the sale of power from Federal projects a local responsibility.

One big fight centered on a contract with the Georgia Power Co. for the sale of power from the Clark Hill Dam in South Carolina.

The company was to transmit and sell the power to preference customers, taking for itself only a transmission, or wheeling fee. Public-power advocates objected to a plan under which the company could contract for the entire project output at the bus bar and the elimination of direct negotiations between preference customers.

After a congressional investigation of Interior Department policies began under Representative EARL CHUDOFF, Democrat, Pennsylvania, there came to light a memorandum by Attorney General Herbert Brownell, Jr., on the Clark Hill contract. Mr. Brownell said that if preference customers wanted a more direct sale than the agreement provided they were entitled to it and should be allowed a reasonable time to provide the means for taking and delivering the power to their clients.

Aside from wheeling, the private companies may serve preference customers through displacement or substitution. Under this plan, the company finds it more economical to use all the project power itself and serves the preference customer through steam plants located closer to the customer.

Close to 85 percent of all the electric power produced in the country now flows from private plants. However, preference customers have been purchasing an increasing proportion of power generated by Federal projects.

The Library of Congress study prepared this year for Senator RICHARD L. NEUBERGER, Democrat, Oregon, on the preference clause shows that preference customers were now buying 54 percent of the output. Back in fiscal 1951 they purchased only 35 percent from the Interior Department.

The study showed that the Bureau of Reclamation was selling 64 percent of its power to preference customers, compared with 52 percent 2 years ago, whereas private companies and industry were getting 26 percent, compared with 43 percent 2 years ago.

But the Bonneville Power Administration is selling 29 percent to preference customers, compared with 31 percent 2 years ago, while private companies and industry have upped their take from 63 to 65 percent. In the TVA area the preference customer allotment has dipped from 46 percent to 32, the industrial allotment from 22 percent to 14.

Opponents of the preference clause fear it is an opening wedge to nationalization of the power industry, but their rivals profess an equal objection to nationalization.

Private power forces argue that the preference clause is socialistic. Public-power forces reply that it simply insures to the people the benefits of what already belongs to them.

One reason the two are at such odds over the preference clause is that preference customers normally do not own transmission lines and must, therefore, rely on private companies to deliver their power. Without the preference clause, they say, they would have no guaranty of obtaining the electricity at reasonable rates.

The Lehman bill would probably not have included the preference clause if the Federal Power Commission had ever put such a provision into one of its licenses. But the FPC never has, and is, for the near future, anyway, unlikely to.

There is no preference in the marketing of St. Lawrence River energy.

[From the Watertown (N. Y.) Daily Times of June 9, 1956]

PREFERENCE CLAUSE IS SEEN HOLDING UP NIAGARA POWER BILL—WOULD HAVE LITTLE DIFFICULTY PASSING WITHOUT IT, IS BELIEF

(This is the last of three articles on the preference clause.)

(By Alan S. Emory)

III

WASHINGTON, June 9.—Without the preference clause, most Washington observers agree, Senator HERBERT H. LEHMAN'S Niagara power bill would have little difficulty winning congressional approval.

But the bill does have that bitterly contested provision, and the Senator won a signal victory when it was included in the measure as it passed the Senate, 48–39. No effort was made to knock it out, even by opponents of preference.

The New York State Power Authority Act states only that rural and domestic consumers of electricity in the State should get first call on State-produced power. If 95 percent of these consumers were represented by private companies, then those companies would get a priority on buying 95 percent of State-produced power.

As a matter of fact, private companies serve about 95 percent of the State's electricity consumers. But they still object to a power purchase priority's being given to public agencies and rural cooperatives, even though combined they could only consume a maximum of 10 percent of Niagara or St. Lawrence power now.

The preference features of the Lehman bill, which give the priority to municipalities and rural co-ops, amount to a clarification of New York law and are not necessarily in conflict with it.

Chairman Robert Moses of the New York State Power Authority admits that an argument of such a conflict is a possibility, but he does not support the validity of that argument.

He says the Lehman bill's preference clause "can be retained."

Mr. Moses would like to see the Lehman bill preference changed—he says the change would make it more workable—by adding language "making it entirely clear that the preference customers to whom power must be sold are those within the area of reasonable economic benefit. This will avoid any requirement to carry power to distant areas at uneconomical transmission costs and through areas closer to the source of power."

The purpose of the declaration seems to be to shut New York City out of the field of preference customers.

But at no point does Mr. Moses object to the heart of the Lehman preference clause, which is the same one carried down through the years in congressional legislation on public-powers projects.

One of the severest attacks on the preference clause was launched by the Hoover Commission and its task force on water resources. The attack drew from dissenting Commissioner Chet Holifield this comment:

"It is curious how insistent the Commission is on following the private utility line in the face of congressional policies which have decreed in no less than 14 basic statutes since 1906 by the Commission's own count, that public agencies should have preference in purchasing power from Federal agencies."

The preference expressed in the 1954 Atomic Energy Act, he said, "does not set up a preference class of consumers of electricity with resulting discrimination against other consumers who must buy their electricity from private utilities which make profits and pay taxes."

Nothing in either Federal or State law clearly bars the preference clause from a New York power license. Under Thomas E. Dewey the State administration's policy was dead against preference in the traditional congressional sense.

Yet, while he was Governor, the State power authority told the FPC it could accept in its St. Lawrence license—and, therefore, presumably in a Niagara license—any conditions the FPC laid down. Mr. Dewey advanced this idea in 1951 himself.

Now that Averell Harriman is the State's chief executive, State administration policy finds no conflict between the Federal and State ideas on preference. Mr. Harriman is four-square behind the Lehman Niagara bill.

Proponents of the preference clause claim it will provide a "yardstick" for measuring all electric rates, with a resulting drop of high power costs to consumers served by competing private companies.

In 17 out of 23 areas where municipal utility systems' rates can be measured against neighboring private-company service in New York State, according to the 1954 FPC report, the public power rates were lower, based on charges for 100 kilowatt-hours.

IMMIGRATION LEGISLATION

Mr. LEHMAN. Mr. President, I ask unanimous consent that I may be permitted to address the Senate for about 4 minutes.

Mr. GOLDWATER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Arizona?

Mr. LEHMAN. I yield.

Mr. GOLDWATER. The Senator from Arizona was going to make a similar request. The Senator from Arizona will gladly listen to the remarks of the Senator from New York.

The PRESIDENT pro tempore. The Senator from New York is recognized for approximately 4 minutes.

Mr. LEHMAN. Mr. President, I have taken note of the fact that the Senate Judiciary Committee has reported H. R. 6888, a bill to provide for the admission, above quota, of a number of sheepherders and to eliminate the quota mortgaging resulting from previous special bills for the admission of sheepherders into the United States.

Mr. President, I think that my views on immigration legislation and policy are fairly well known. My opposition to our present immigration laws and policies is deep and unremitting. I shall not cease to fight, with all the efforts of which I am capable, until the McCarran-Walter Act is converted into a just and humane law, giving opportunity, under fair but strict overall quota limits, to all people, regardless of national origin, race, or creed, to be admitted into the United States on their individual merits, qualifications, and need—and the need of the United States.

It strikes me as surpassingly strange that every 2 years we are confronted with a proposition to admit more sheepherders above quota limits, but we never get an opportunity to vote on basic legislation to revise our quota system so that these special sheepherder bills will not be necessary.

In past years, Mr. President, I have voted for these special sheepherder bills because I have felt that it was good for the United States to have these additional and undeniably useful workers come in, even though this permission was granted to only one group, for the benefit of only one industry. But the time has come, Mr. President, for the Congress to face the issue frankly and to admit that the McCarran-Walter Act is a cruel, unreasonable, and repressive law, and that action must be taken to change it substantially. I do not expect to continue to vote for special bills for sheepherders, while capmakers, watchmakers, carpenters, doctors, scientists, and metal workers—to name at random just a few types of workers—continue to be barred from the United States by the operation of the McCarran-Walter Act.

Some of the very sponsors of these sheepherder bills are the most vociferous in defending the national origins quota system. Let them admit that these special sheepherder bills violate the so-called principle of the national origins quota system. Let them admit that the national origins quota system is a shame and a scandal upon the fair name of the United States.

The other day the distinguished senior Senator from Utah [Mr. WATKINS], former chairman of the Immigration Subcommittee, who was himself a strong supporter of the last sheepherders bill the Senate passed, declared that this sheepherders bill could not be accepted as constituting an immigration program for 1956. If any immigration legislation is to be passed, it should be substantial immigration legislation which will grant relief to the sheep-raising industry, to other industries, and to mothers, fathers, brothers, sisters, uncles, and friends of aliens who want to come to the United States but who are now barred because of the quota system and the other restrictions in the McCarran-Walter Act.

Let me call attention again to S. 1206, the bill which I and 12 other Senators have introduced in this Congress, which would revise our immigration and citizenship laws in a constructive and positive manner, and remove those discriminatory features which plague us today.

There are also pending before the Senate four bills introduced by the Senator from Utah [Mr. WATKINS], representing the recommendations of the administration. I do not think that these bills go far enough. I am glad, however, to recognize them as constituting, for the most part, steps in the right direction.

The President of the United States has recommended the enactment of substantial immigration legislation at this session. The majority leader of the Senate has urged that substantial immigration legislation be enacted at this session. There is no partisanship involved. No party stands to win selfish credit from the enactment of immigration legislation, but both parties will deservedly be blamed if no substantial immigration legislation is enacted at this session of Congress. And what is much more important, America will be the loser.

Suitable immigration legislation should be, and must be, enacted by this Congress. I hope that the Senate Judiciary Committee will yet consider and report my bill, S. 1206. If the committee does not see fit to recommend S. 1206, I hope it will recommend substantial portions of it. I would even be glad to see the committee recommend the administration's four bills, although those bills do not go far enough, as I have said, and in some particulars at least, represent a backward movement. I shall be glad to take my chances of seeking amendment to those bills on the floor.

I hope that the Judiciary Committee will shortly move to show as much consideration for human beings as it has shown for sheep.

CURRENT EVENTS IN THE FIELD OF PUBLIC VERSUS PRIVATE POWER

Mr. GOLDWATER. Mr. President, I ask unanimous consent that I may proceed at this time for not to exceed 4 minutes.

The PRESIDENT pro tempore. Without objection, the Senator from Arizona is recognized for 4 minutes.

Mr. GOLDWATER. Mr. President, a few weeks ago I called the attention of my colleagues to some very interesting current events in the field of public versus private power. I say these events were very interesting because they were of considerable significance to me, and I assume them to be of equal interest to the Members of this body, particularly to those who have been carrying the torch for public power in all of its ramifications.

I took the occasion to recite the results of 2 recent elections, 1 in the State of Oregon and 1 in the State of Washington, in which people at the grassroots, after having experienced public power, voted overwhelmingly to solve their public power problems—and I assure you they were serious problems—by selling their public power systems to private enterprise.

The election in the State of Oregon which I mentioned was the vote of members of the Sandy Electric Cooperative, with headquarters at Sandy, Oreg., to sell their system to the Portland General Electric Co. The vote by the members was 571 to 99 in favor of the sale. The Sandy Electric Cooperative had been operating at a loss, and had reached the end of its rope. Its rates had been about one-third higher than the rates of the Portland General Electric Co., which serves similar customers in neighboring areas. By this time the Sandy Electric Cooperatives customers are enjoying what is believed to be better service, at a saving of some 33⅓ percent, at the hands of that much-maligned monster, private power. At least, the people most directly affected are not afraid of that big, bad wolf.

The second instance was a similar election held recently in Stevens County, Wash. The people who were the patrons of the Stevens County Public Utility District voted 5,008 to 2,019 to sell the district's facilities to the Washington Water Power Co., another big, bad wolf of public power fiction.

Again, in this instance, the people had experienced not only a taste but a bellyful. They were not voting on an ideological abstraction. They had lived through years of public power, had been on the receiving end, and were in a position to know from experience its merits and demerits. If public power, as has so often been claimed, is the bonanza from whence all blessings flow, the fact had escaped their attention.

Now the people of Stevens County, Wash., too, are benefiting from lower electric rates and from tax dollars generated simultaneously from a privately owned electric company.

After describing these current events, I proceeded to document a comparison of electric rates for farm service, as received by another private electric utility company, the Idaho Power Co., with those of all REA systems operating in the State of Idaho; also a similar comparison of Idaho Power Co. farm service rates with those of REA-financed systems in the State of Tennessee.

Suffice it to say at this point that the four REA distributors in Idaho which purchase power from Bonneville Power Administration received for the year 1953 an average price per kilowatt-hour 32.7 percent higher than the average price per kilowatt-hour for electric service supplied to farm customers by Idaho Power Co. for the same year. The five REA distributors in Idaho which purchase their power requirements from privately owned, taxpaying electric companies and from the United States Bureau of Reclamation received an average price per kilowatt-hour, for the year 1953, which is 54.4 percent higher than the average price for farm electric service received by Idaho Power Co.

These disparities occurred in spite of the fact that the private electric company, Idaho Power, paid 33.32 percent of its gross revenues for taxes of all kinds in 1953.

Having spread these facts upon the RECORD, I was interested in the reaction a few days later by the distinguished junior Senator from Oregon [Mr. NEUBERGER]. On May 18, 1956, he arose to decry those facts, not to dispute them. He used his privilege in an attempt to divert attention from the facts, with a plea to "look behind the statistics."

That is an intriguing exercise, Mr. President, if, in fact, it can be done. Being of a curious turn of mind, I am perfectly willing—in fact, I invite the Senator—not only to look behind the facts, but also to look under them and look around them, and even through them; but he cannot overlook them.

The further intriguing thing to me about the Senator's dissertation is that he had not a single, blessed thing to say about the current events in the public-power field described above. Perhaps he followed his own advice in the other instance, and, having taken a look behind the statistics of the two free elections among people who have experienced a full dosage of public power, decided there was no merit in further talk about them.

I submit to the Senator from Oregon that the votes by American citizens, those in Oregon being among his own constituents, are a far more potent commentary upon the subject at hand than anything he or I may say.

In the process of looking behind the statistics, the Senator from Oregon tries to gloss over the facts, by describing my data as "selective and partial." He said:

> That the co-ops selected for comparison serve some of the most rugged and sparsely populated sections of the West, where construction costs are high and operating conditions difficult, when compared with Idaho Power's more compact service area.

I can assure the Senator from Oregon there was nothing selective or partial about the data. The comparisons included all REA units in the entire State of Idaho, broadly scattered throughout the State, with varying degrees of operating conditions, and not unlike the farm areas served by the private company which has a record of farm electrification which embraces a near 100 percent saturation, and not only including irrigated farms, but extending throughout vast expanses of upland ranch areas, up the gullies, and along the creeks.

He says the co-ops came into existence in the first place because the private company did not want to add these areas to its system, out of belief they would be unprofitable. A sweeping generalization such as that might mislead the uninformed, but is ludicrous to the extreme to those who have even only a slight acquaintance with Idaho geography. Some of the REAs which the Senator from Oregon suggests should, in all conscience, have been rendered unnecessary by Idaho Power Co. service to their areas years ago are 400 miles away from the company's service area.

Let me make it clear that nothing I say or have said is intended to disparage the value of electric service, from whatever source, to an isolated area. Many, many REAs across the Nation, as well as in Idaho, are serving a splendid purpose. Without them, many of our people would not have the modern advantages of electric aids to living and to agriculture. Perhaps the REA rates are justifiably higher than those of private companies, and their service still a bargain to the people.

My objection is to the all-too-common practice of clothing public power, whatever its situation, with all righteousness,

and the accompanying failure to give credit for accomplishment to private enterprise when that credit is due.

Getting back to the voice of the people in these matters of public versus private power, the junior Senator from Oregon should be reminded that his disclaimers will not stand up against the experience and the votes of the people themselves in several areas, some in his own State of Oregon, where the Idaho Power Co. renders electric service. If this company's record of service and rates require a look behind the statistics, why have the members of four REAs in that area taken the same course of action recently followed by the people of Stevens County, Wash., and of the Sandy, Oreg., rural community?

The citizens of Jordon Valley, Oreg., whom the junior Senator from Oregon represents, pioneered the path some years back, when they voted overwhelmingly to sell their REA system lock, stock, and barrel, to the Idaho Power Co., after an unsatisfactory public-power experience. Since that vote, they have enjoyed better service, lower rates, and wider extension of farm service.

The REA at Juntura, Oreg., also in a part of the Senator's bailiwick, made a like decision. Later, the REA unit headquartered at Vale, Oreg., where there are real, live voters in the Senator's jurisdiction, followed suit, after several years of operation. In Long Valley, Idaho, REA members reached a similar decision for the same reasons.

Is not this the voice of the people?—not people who deal in theories but people who have had the experience of unfulfilled expectations which abound in the myth of public power being always beneficent, always a cure-all, always doing public good and, incidentally, in opposition to the terrible ogre of private enterprise.

EVELYN COLE, MONTANA'S CONTEMPORARY WESTERN ARTIST

Mr. MANSFIELD. Mr. President, recently I was presented by one of our Senate pages—Jack Upshaw, of Chinook, Mont.—with an original oil painting.

The artist responsible for the fine piece of art work is Miss Evelyn Cole, also of Chinook. In my estimation, Miss Cole is one of the outstanding contemporary western artists, and a worthy successor to Charles M. Russell, the greatest American frontier artist.

The creative brushes of the Russells, Remingtons, and the Coles have preserved for us on canvas a vanishing era—the era of the settler, the cowboy, and the Indian on the western frontier.

The painting is a landscape scene of north-central Montana, near the Bearpaw Mountains, set within an outline of the Treasure State. The foreground of the painting depicts a band of Nez Perce Indians led by the great Chief Joseph.

Miss Cole is a native Montanan. Her art deals largely with history and landscapes associated with central Montana. A number of her paintings are on display in museums and libraries in Montana. At present, Miss Cole's art is not known as well as it should be beyond the limits of Montana; but I am sure that national recognition will be forthcoming in the near future, because Evelyn Cole's art is fine in detail, pleasing in color, and presents true and accurate portrayal of the West.

Miss Cole's painting hangs in a prominent place in my office, and I welcome all admirers of western art who may care to inspect it to come in and see a real masterpiece.

BUTTE AND MONTANA CELEBRATE A BIRTHDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an editorial entitled "Butte and Montana Celebrate a Birthday," published in the Montana Standard of May 27, 1956. I believe this editorial is worthy of the consideration of all Members of the Senate, because it outlines in some detail the growth of these two fine entities, first, the city of Butte, the most picturesque city in the United States, with the finest people, and Montana, the Treasure State, also with the finest people in the Union.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BUTTE AND MONTANA CELEBRATE A BIRTHDAY

The city of Butte and the State of Montana are both 92 years old.

But the fact is cities and States do not grow old; they grow young until they die.

And both Butte and Montana are still growing young.

Ninety-two years ago last week the legislation which made Montana a Territory, separating it from Idaho Territory, was passed in Congress and signed by President A. Lincoln.

And at about the same time a couple of prospectors, G. O. Humphrey and William Allison, panned sufficient gold along Silver Bow Creek to establish a gold camp and attract other prospectors here. Within 2 years the population had reached 500.

Since then Montana and Butte have had their ups and downs, but they have continued to grow.

New mining developments and extension of old ones bring assurance that the population of Butte will increase materially within the next few years. Similarly, these developments have given the mining camp a new lease on longevity. The end isn't in sight.

Economists and scientists concluded in recent years that Montana's varied assortment of natural resources have only been scratched, thus giving the State a new lease on the future.

Although Montana's extensive deposits of minerals are irreplaceable once they have been removed from the ground, the supply as the years have passed has constantly grown larger and larger.

It has been similar with Montana's other natural resources.

New discoveries in scientific methods, irrigation, and new machinery have constantly increased Montana's agricultural productive capacity.

Montana's attractiveness as a tourist haven are only beginning to be realized. The tourist business has grown up within the memory of our young people from almost nothing to third rank in the State's income producing resources.

The State's population has been steadily increasing with the trend of the movement of people away from the crowded East to the wide open spaces of the West.

One resource which has scarcely begun to be developed is Montana's vast supply of water, a large amount of which is stored naturally in the form of snow in the mountains during the winter and seeps away gradually during the summer in clear, cool mountain streams.

Another resource which has only been scratched is that of petroleum.

In both of these categories there is room for tremendous growth, thus making the State of Montana younger even though it is growing older in years chronologically.

The migrations of people constantly westward across the United States is merely one of the signs that the areas from which they are coming are actually growing old, both chronologically and in resources.

In another field, Montana has a great opportunity to achieve still more youthfulness. This is in the manufacturing field. The trend here again is in our favor. The trend is to move the factory closer and closer to the source of raw materials needed for fabrication.

In the past, Montana has existed chiefly as a source of raw materials. Processing adds greatly to the value of a raw product. There is no reason why Montana can't grasp this advantage. It has most of the necessary ingredients.

So, here's a salute to Butte and Montana on their twin birthdays.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. DOUGLAS. I notice the blushing modesty of the Senator from Montana when he says that Butte is the finest city in the country, and that the people of Montana are the finest people in the country. Does not the Senator from Montana think he should sprinkle a little modesty on such glowing statements?

Mr. MANSFIELD. I will say to the Senator from Illinois that I was being unduly modest because of my sensitive feeling for other Senators. However, I could have gone to extremes and really told the truth about Montana, the Treasure State, which, of course, words are not sufficient to express.

Mr. DOUGLAS. It is always excellent to find people with such a charitable opinion of themselves.

Mr. MANSFIELD. Especially when it is the truth.

NOTICE OF HEARINGS ON PROPOSALS TO AMEND ROBINSON-PATMAN ACT

Mr. O'MAHONEY. Mr. President, on behalf of the standing Subcommittee on Antitrust and Monopoly Legislation of the Committee on the Judiciary, I announce that tomorrow at 10 o'clock, in room 318 of the Senate Office Building, hearings will be opened upon H. R. 11, S. 11, and several other bills dealing with the amendment of the Robinson-Patman Act.

The committee has received communications from at least 60 different persons who desire to express opinions with respect to this issue. It is one of the most important questions confronting the Nation. It is a part of the same problem which the Senate had under discussion yesterday when the bill giving automobile dealers their day in court was passed by a vote of 76 to 1.

The problem of violations of the Robinson-Patman Act affects all sorts of small business. Drugstores in many

localities are very much affected. Small grocers are very much interested. Small jobbers in the gasoline and oil business, filling stations, small refiners, and big refiners, are all interested.

Recently I received a letter from the Governor of my State in which he expressed great concern over the gasoline wars which have been opened in Wyoming. The same situation has developed in other States. The big refiners cut prices, and the small filling station and the small refiner cannot compete. There have been instances of big companies moving into a local community, spending large sums of money on the construction of luxurious filling stations, offering their commodities at a lower rate, and driving the small, independent dealers out of business.

The issue we are facing is whether the local independent businessman is seeing the end of his day as a part of the economic system of America, and is being succeeded by the national operator, who is in a position to write the whole law for himself.

It will be the endeavor of the subcommittee, as I stated to Governor Simpson in response to his letter to me, to make arrangements for the full presentation of the problem by representatives of independent filling stations, independent jobbers, small refiners, and big refiners. I hope to be able to lay on the table the entire story of the devices by which local independent enterprise is losing its economic freedom.

One of the bills, S. 11, was introduced by the Senator from Tennessee [Mr. KEFAUVER].

The commitee is also about to open hearings on the meat industry. The Senator from Tennessee will preside at the opening session, which will be held tomorrow. The bills which are involved are not only S. 11, introduced by the Senator from Tennessee, but also H. R. 1840, introduced by Representative BYRON G. ROGERS of Colorado, and S. 780, which was introduced by the Senator from Indiana [Mr. CAPEHART].

Mr. LONG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LONG. I am pleased to learn that hearings are to be conducted upon this important issue. I very much hope that the committee will report S. 11, or a bill which will accomplish the same purpose, some time during the next few weeks, because Congress will not be in session much longer. I am a cosponsor, along with the Senator from Tennessee [Mr. KEFAUVER], of S. 11.

Mr. O'MAHONEY. I am aware of that fact.

Mr. LONG. The Senator from Wyoming is familiar with the problems involved. It seems to me that the price discriminations which are adversely affecting small business are very serious. Unless Congress acts to afford some element of protection to small business which does not now exist, we shall see very many more business failures and bankruptcies than are necessary.

Mr. O'MAHONEY. The Senator is quite correct. I believe it will be possible to report proposed legislation which will, at least, be of some assistance in the situation which is developing.

The problem affects the entire economy. The struggle is now reaching its most critical point. I refer to the struggle between small independent enterprise in local communities and the great national, concentrated companies which operate throughout the United States, and sometimes throughout the world. We are losing the power to regulate commerce in the public welfare, and shall continue to lose it unless legislation of this kind, well drafted and properly conceived, is enacted.

IMPROVEMENT OF GOVERNMENTAL BUDGETING AND ACCOUNTING METHODS AND PROCEDURES

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3897) to improve governmental budgeting and accounting methods and procedures, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, in my opinion, the pending bill, if enacted, will bring about the most important reforms and improvements in the Government's financial structure in a decade or more.

Cosponsored by the distinguished Senator from Maine [Mr. PAYNE], who is a great authority on the subject and has done a tremendous amount of work in this field of legislation, and by 30 other distinguished Members of the Senate from each side of the aisle, S. 3897 was reported unanimously by the Committee on Government Operations on June 7.

It has the unqualified endorsement of the major financial departments of the Government, including the Director of the Bureau of the Budget, the Comptroller General of the United States and the Secretary of the Treasury, each of whom submitted testimony before the Subcommittee on Reorganization which held the hearings upon this matter.

The bill implements directly the recommendations of the Second Commission on Organization of the Executive Branch of the Government—the Second Hoover Commission—relating to budgeting and accounting.

The task force on budgeting and accounting was headed by Mr. J. Harold Stewart, of Boston, to whom the subcommittee is strongly indebted.

The bill would enact into law the recommendations made by the President of the United States to the Congress in his special message delivered May 10, 1956, when he urged early enactment of appropriate legislation in this field.

As I pointed out on yesterday when I filed the committee's report, this proposed legislation would place the entire governmental structure on an accrued annual expenditures basis, thus improving the financial management within the executive agencies, and immeasurably strengthening the control of the Congress over the purse strings.

As the Senate probably knows, more than $25 million of Government expenditures in 1956 are being made from funds appropriated in previous years. It seems to me, therefore, that the pending measure, if enacted, would bring about a radical and important reform in governmental accounting.

The bill provides that the executive agencies shall determine their budgets on a cost basis and shall maintain their accounts on an accrual expenditures basis to provide the foundation for the stating of appropriations by the Congress on an annual accrued expenditures basis, which is the heart of fiscal control.

In other words, upon the enactment of this bill, the Congress would make its appropriations for each fiscal year upon the estimates of expenditures actually to be made or to be accrued during that fiscal year, as opposed to the present appropriations procedure whereby appropriations are made upon an obligation basis which at times extends over several fiscal years in the future.

I am fully aware that this is a revolutionary change in our fiscal processes which could not be effectuated overnight, but which in all probability would be implemented gradually with the least disturbance within the executive agencies. Nor do I believe—nor was there any evidence in the hearings—that it would have any adverse effect upon the Government's financial operations.

To the contrary, there is every indication that substantial operating economies will accrue to the Government from the establishment of more business-like budgeting, accounting, and appropriations procedures. I strongly urge favorable action upon this bill.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from New Hampshire, who has attended every hearing on the bill and whose fine assistance was extremely important in bringing about action on the bill in committee and having it reported to the Senate.

Mr. COTTON. I thank the chairman of the subcommittee for his kind expressions. My purpose in rising is to make sure the record shows that the distinguished Senator from Massachusetts, the chairman of the subcommittee which considered the proposed legislation, handled it in his characteristic, able fashion. He gave it his constant attention. Hearings were held with great care. Testimony from the Comptroller General of the United States, from the Bureau of the Budget, and from departments involved, including the Department of Defense, was taken and carefully sifted and screened.

As a minority member of the subcommittee, I should like to take this opportunity to commend the distinguished Senator from Masachusetts for his able,

careful, and painstaking handling of this important measure, and other measures to implement the recommendations of the Hoover Commission, to express my confidence in the subcommittee and the staff and also to assure the Senate that the measure has been carefully screened. We are all in hearty accord in urging the Senate to pass the bill.

Mr. KENNEDY. I thank the Senator, very much. I also wish to express regret that the Senator from Maine [Mr. PAYNE], who played such a major role in preparing this measure, is unable to be present because of a death in his family. In talking with him yesterday he expressed his great interest in the measure.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. JOHNSON of Texas. Mr. President, I wish to express my commendation of the Senator from New Hampshire [Mr. COTTON] for his nonpartisan approach to this matter and for the comments he has made regarding the Senator from Massachusetts [Mr. KENNEDY]. The Senator from Maine [Mr. PAYNE] is a coauthor of the measure. He expressed the hope that it would not be brought before the Senate during his absence, which was made necessary by a death in his family, but that did not fit in with the wishes of some other Senators.

I appreciate the contribution of both the Senator from New Hampshire and the Senator from Maine, and I also wish to commend my friend from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. I thank the Senator from Texas.

Mr. KNOWLAND. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. KNOWLAND. Mr. President, I wish to join in the comments made by the Senator from New Hampshire. As has been stated, the Senator from Maine [Mr. PAYNE] is unavoidably absent because of a death in his family. He is vitally interested in the measure and has asked me to convey to the Senate the great importance he attaches to this measure in connection with the operations of the Federal Government.

I wish to join, also, in commending the distinguished chairman of the subcommittee, the Senator from Massachusetts [Mr. KENNEDY], who has done such good work on the bill. I also wish to commend the entire committee and those who have worked together, on both sides of the aisle, in bringing the measure before the Senate.

Mr. KENNEDY. I thank the Senator from California.

Mr. McCLELLAN. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. McCLELLAN. Mr. President, I wish to state that too often, I think, we overlook the importance of the work and the responsibilities which are assumed by subcommittees of the various standing committees. In this particular instance, as my friend from Massachusetts [Mr. KENNEDY] and other Members realize, the chairman of the Government Operations Committee is carrying a very heavy workload; and were it not for Senators, like the distinguished Senator from Massachusetts, who are willing to cooperate and willing to take the chairmanship of subcommittees and actually do the heavy work in developing and processing proposed legislation of this character, our committees would bog down.

I am personally indebted to the Senator from Massachusetts and to those who served with him on both sides of the aisle for the splendid job which has been done on this bill. It is an important measure. We can make substantial progress in getting ready for action on important and needed legislation only as our subcommittees take responsibility and do the job as thoroughly and efficiently as it has been done in this instance. The chairman of the full committee is thoroughly appreciative of the labors of the members of the subcommittee.

Mr. KENNEDY. I thank the Senator from Arkansas.

In considering appropriations for the armed services, we noticed a great number of obligated but unexpended balances which have been carried over for years. This bill will prevent such a situation from arising. It will give far greater authority to the Appropriations Committee each year, and it will be necessary for the committee to decide each year how much shall be appropriated to prevent the tremendous carryovers. So, Mr. President, it seems to me that this measure offers a hope of substantial savings, and also far greater control by the executive branch and by the Appropriations Committees of the Congress.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass?

The bill (S. 3897) was passed.

Mr. BYRD subsequently said: Mr. President, I ask unanimous consent that, following the passage of the Kennedy-Payne bill, Senate bill 3897, there be printed in the RECORD a statement by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

KENNEDY-PAYNE BILL

I am a patron on this bill because it is expressly a step in the direction of two objectives which I believe to be urgently needed in the Federal fiscal system:

1. Annual review of Congress of all major appropriations for expenditure in the coming fiscal year; and

2. Reduction in unexpended balances carried over from prior appropriations which now are available for years with ineffective legislative control over the annual rate of expenditure from them.

We must keep constantly before us the fact that there is a wide difference between annual appropriations and annual expenditures.

It is annual expenditures—not appropriations—measured by annual revenue which result in annual deficits or surpluses.

To demonstrate the difference between annual appropriations and annual expenditures, I shall summarize the record for the past 10 years.

In 1948 we appropriated $39 billion and spent $34 billion.

In 1949 we appropriated $41 billion and spent $40 billion.

In 1950 we appropriated $50 billion and spent $45 billion.

In 1951 we appropriated $84 billion and spent $45 billion.

In 1952 we appropriated $93 billion and spent $66 billion.

In 1953 we appropriated $80 billion and spent $74 billion.

In 1954 we appropriated $63 billion and spent $68 billion.

In 1955 we appropriated $57 billion and spent $65 billion.

In 1956 we appropriated $62 billion and it is estimated that we shall spend $64 billion.

In 1957 the President has requested appropriations totaling $66 billion and the Budget Bureau has estimated that we shall spend $66 billion.

The accumulation of unexpended balances in appropriations over the years in excess of expenditures, after deducting lapses, now totals $74.6 billion. If we should appropriate in this session of Congress the full amount requested by the President for fiscal year 1957, beginning July 1, we would enter the new fiscal year with appropriations and other authorizations for expenditure totaling $140.9 billion.

Of the $66 billion in new appropriations requested by the President for fiscal year 1957, only $42.7 billion is for actual expenditure during the year. This means that of the appropriations we are making at this time, assuming the budget requests, $23.3 billion would be for expenditure in some subsequent year. Under the legislative appropriation practices, expenditure from this $23.3 billion balance would be subject to very little annual review by Congress in subsequent years.

This huge balance has been built up under a policy of financing tremendous long-lead time projects in advance by appropriating the full amount of the cost at the time of their inception. After the original appropriation, in practice, very little legislative control is exercised over annual expenditures from multiyear appropriations.

Under this bill the President's budget ultimately would be submitted on an annual accrued-cost basis, and appropriations would be made each year to finance the annual cost of contracts entered into pursuant to statutory authority.

I do not contend that this legislation would accomplish all which is desirable for the recapture of congressional control over the annual rate of expenditure of Federal funds. But it would be a step in the general direction of more meaningful appropriation action. It would provide a more practicable control over annual expenditures. It would produce a more tangible relationship with revenue requirements for a given year. It would develop a clearer disclosure of Federal activities on an annual basis. And it would establish Federal operations on a more businesslike basis not only for purposes of revenue and appropriations but also for more effective accounting and auditing.

I hope the bill will pass as a progressive reorganization in Federal fiscal procedures,

methods, and techniques which may result in more efficient government at reduced cost to taxpayers.

ADMINISTRATION OF THE RECLAMATION PROJECT ACT OF 1939

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2262, House Bill 101.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 101) relating to the administration by the Secretary of the Interior of section 9, subsections (d) and (e) of the Reclamation Project Act of 1939.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill.

EXEMPTION FROM TAXATION OF CERTAIN PROPERTY OF COLUMBIA HISTORICAL SOCIETY IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the pending bill be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 2263, Senate bill 3663.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3663) to exempt from taxation certain property of the Columbia Historical Society in the District of Columbia.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, this bill comes to the floor of the Senate with the unanimous vote of the District of Columbia Committee. The explanation is brief. I make it for the purpose of the Record.

The purpose of this bill is to provide for the exemption from taxation of the real estate described as lot 79, in square 115, in the District of Columbia, owned by the Columbia Historical Society so long as the same is owned and occupied by the Columbia Historical Society and its member organizations and is not used for commercial purposes.

The Columbia Historical Society is the historical society of and for the Nation's Capital, as well as the District of Columbia. It was founded and incorporated in 1894, and is a nonprofit cultural, educational, philanthropic, and historical society.

The loss of revenue from annual real estate taxes on this property, under present valuation, amounts to $2,876.28.

I urge the passage of the bill.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The bill is open to amendment.

If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill (S. 3663) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the real estate described as lot 79, in square No. 115, situated in the city of Washington, District of Columbia, owned by the Columbia Historical Society, is hereby exempt from all taxation so long as the same is owned and occupied by the Columbia Historical Society and its member organizations and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1091; D. C. Code, secs. 47–801b, 47–801c, and 47–801e).

CONSTRUCTION OF BRIDGE OVER POTOMAC RIVER

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2264, Senate bill 3838.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3838) to provide for the maintenance and operation of the bridge to be constructed over the Potomac River from Jones Point, Va., to Maryland.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, by way of a brief explanation, the bill also comes to the Senate by unanimous vote of the District of Columbia Committee.

The purpose of this bill is to provide that the bridge authorized to be constructed over the Potomac River from Jones Point, Va., to Maryland, shall be maintained and operated by and at the expense of the States of Maryland and Virginia, and the District of Columbia, in accordance with such arrangements as are agreed to by such States and the District of Columbia.

The act of August 30, 1954—Public Law 704, 83d Congress—authorized and directed the Secretary of the Interior to construct, maintain, and operate a six-lane bridge over the Potomac River, from a point at or near Jones Point, Va., across a certain portion of the District of Columbia, to a point in Maryland, together with bridge approaches on property owned by the United States in the State of Virginia.

The President, at the time of his approval of the above act, issued a statement that it improperly vests responsibilities in the Department of the Interior, which is not a construction agency, and that such responsibilities should be placed in the Bureau of Public Roads, Department of Commerce, or the Corps of Engineers of the Army.

Public Law 534, 84th Congress, approved May 22, 1956, amended the act of August 30, 1954, to authorize and direct the Secretary of Commerce to construct a six-lane bridge at the site hereinbefore mentioned.

I urge passage of the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3838) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the bridge authorized to be constructed by title II of the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," approved August 30, 1954, shall be maintained and operated by and at the expense of the States of Maryland and Virginia and the District of Columbia in accordance with such arrangements as shall be agreed upon by such States and the District of Columbia.

ADMINISTRATION OF THE RECLAMATION PROJECT ACT OF 1939

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume the consideration of House bill 101.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 101) relating to the administration by the Secretary of the Interior of section 9, subsections (d) and (e) of the Reclamation Project Act of 1939.

Mr. JOHNSON of Texas. I call the attention of the Senator from New Mexico to the request I have just made, and ask him to explain the bill.

Mr. ANDERSON. Mr. President, this bill is made necessary because of changes made in the reclamation law by the Reclamation Project Act of 1939. Under reclamation authorizations, the Department of the Interior got itself in the situation where irrigation districts could not be assured of renewal of the so-called 9 (e) or utility irrigation contracts after 40 years. In doing so, we found it was necessary to say that the Secretary of the Interior could renew so-called 9 (e) contracts or convert them to 9 (d) contracts. When it comes to renewals, he can work out with the contracting organizations a procedure to go ahead on a basis which will be satisfactory to them and protect the interests of the Government. He can include in the long-term contracts provisions which take care of circumstances such as assurances of a share of whatever water is available or to change the terms and amounts in view of construction costs.

The Bureau of Reclamation has asked for the bill, and the Bureau of the Budget has approved it. The bill was passed by the House after full consideration. The Senate committee also considered it thoroughly and we think the bill is satisfactory.

I may say to the Senator from California that most of these so-called 9 (e) contracts are in the State of California. The irrigation districts there would like to have this bill, I am informed, and there has been no objection to it from any source. The purpose of the bill is to extend to the 9 (e) contract districts the same conditions as under the standard provisions of the reclamation law. I think it is a desirable bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no

amendment to be offered, the question is on the third reading of the bill.

The bill (H. R. 101) was ordered to a third reading, read the third time, and passed.

EXEMPTION FROM TAXATION OF CERTAIN PROPERTY OF THE GENERAL FEDERATION OF WOMEN'S CLUBS, INC., IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2265, House bill 8493.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8493) to exempt from taxation certain property of the General Federation of Women's Clubs, Inc., in the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, this bill also comes to the Senate with the unanimous vote of the District of Columbia Committee.

The purpose of this bill is to exempt from taxation certain property of the General Federation of Women's Clubs, Inc., in the District of Columbia, so long as such property is not used for commercial purposes, and is subject to the provisions of the act to define the real property exempt from taxation in the District.

I urge the passage of the bill.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 8493) was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIREMENT OF PUBLIC-SCHOOL TEACHERS IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2266, House bill 10768.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 10768) to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public-school teachers in the District of Columbia," as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, I wish to make a brief explanation of the bill. I want to say that it, too, was unanimously reported by the District of Columbia Committee.

The purpose of this bill is to provide for increased annuities for all teachers and school officers who are now retired or may retire prior to December 31, 1957. The bill is designed to parallel the Civil Service Retirement Act of May 29, 1930, as amended—Public Law 369, 84th Congress amended that act to provide increases to annuitants under the Civil Service Retirement Act. The amount of the increase is set forth on a percentage basis and would depend upon the commencing date of the annuity. Since the increases provided by H. R. 10768 would apply only to a group of persons who may have retired prior to December 31, 1957, the annual disbursements for such increases would be on a gradually declining basis by reason of mortality of annuitants.

The present value of all such future disbursements, as of July 1, 1956, is estimated as $2,619,100. The first year's cost would be approximately $252,800. The bill would permit retired teachers to waive all or any part of their annuity to which they are entitled, in the same manner as persons retired under the Civil Service Retirement Act.

I urge the passage of the bill.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 10768) was ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF CERTAIN HIGHWAY-RAILROAD GRADE SEPARATIONS IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2267, S. 2704.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2704) to authorize the appropriation of funds for the construction of certain highway-railroad grade separations in the District of Columbia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment.

Mr. KNOWLAND and Mr. MORSE addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. KNOWLAND. Mr. President, the Senate is presently considering S. 2704.

Mr. MORSE. That is correct.

Mr. KNOWLAND. Does the Senator from Oregon propose to offer an amendment to correct a typographical error in spelling?

Mr. MORSE. Yes. I was going to do so in my explanation, if the Senator will permit me.

Mr. KNOWLAND. Very well.

Mr. MORSE. First, I want to give an explanation of the bill, and then take up the amendment.

The purpose of the bill is to authorize partial reimbursement of the District of Columbia for its share of the cost of certain highway-railroad grade separations. Assessment of any of the cost against the railroads involved is prohibited.

The project is at a point in the southeast section of the District in the vicinty of East Capitol Street, where the proposed extension of East Capital Street as shown on the highway plan of the District will cross the right-of-way of the Philadelphia, Baltimore & Washington Railroad—operated under lease by the Pennsylvania Railroad—and the Baltimore & Ohio Railroad.

The total cost of the project is estimated at $1,995,000.

I have an amendment to correct a printing error in the bill. The word "Treasury" is misspelled, and the amendment seeks to have the print corrected so the proper spelling will be in the print. I offer that amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. MORSE. I desire to say, in defense of the Government Printing Office, that seldom do they make mistakes. When they do, I think we should understand that the factor of human error is bound to creep in, even in such an efficient organization as the Government Printing Office.

The PRESIDING OFFICER. The amendment of the committee will be stated.

The LEGISLATIVE CLERK. On page 1, in line 9, after the word "of", it is proposed to strike out "$634,000" and insert "$665,000."

The amendment was agreed to.

Mr. MORSE. Mr. President, on behalf of all members of the committee, I urge that the bill be passed.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 2704) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in recognition of the fact that the need to bring traffic to and from the Washington-Baltimore Parkway and to handle such traffic requires the construction of certain highway-railroad grade separations, there is hereby authorized to be appropriated to the District of Columbia for credit to the Highway Fund, out of any money in the Treasury not otherwise appropriated, the sum of $665,000, which shall be in addition to any other amounts authorized, appropriated, accruing, or otherwise made available to the District of Columbia under any other provision of law, for the construction and maintenance in the District of Columbia of a highway-railroad grade separation underpass at a point in the southeast section of the District of Columbia in the vicinity of East Capitol Street, where the

proposed extension of East Capitol Street as shown on the highway plan of the District of Columbia will cross the right-of-way of the Philadelphia, Baltimore, & Washington Railroad and the Baltimore & Ohio Railroad. Such sums as are appropriated shall remain available until expended when specifically provided in the Appropriation Act.

SEC. 2. Appropriations made to carry out the purposes of this act shall be available for construction, maintenance, and expenses incident to construction and maintenance, including planning, design, overhead, and supervision.

SEC. 3. Since the construction of East Capitol Street extended is to provide connections between the District of Columbia and the Federal Highway System, the entire cost of construction and maintenance of the grade-separation structure referred to in the preceding sections of this act shall be borne by the District of Columbia, out of funds authorized to be appropriated by this act and any other funds available to the District, and no contributions to such cost of construction and maintenance shall be required of any railroad whose right-of-way is involved by such structure, except as provided in section 4 of this act.

SEC. 4. The dedication by the railroads to the District of Columbia of the right to use as a public thoroughfare the portion of East Capitol Street extended shall not impair or affect the right of the railroads to use for railroad purposes the portion of its right-of-way so dedicated.

CONVEYANCE OF CERTAIN PROPERTY TO THE VILLAGE OF CAREY, OHIO

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2260, House bill 9671; and I call this motion to the attention of the distinguished Senator from Ohio [Mr. BENDER].

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 9671) to provide for the conveyance of certain property of the United States to the village of Carey, Ohio.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BENDER. Mr. President, this bill was introduced by my colleague, the senior Senator from Ohio [Mr. BRICKER]. The bill was considered by the full committee, and was reported unanimously by it.

The bill has to do with the conveyance by the United States of some land to Carey, Ohio.

Mr. MORSE. Mr. President, I have checked the report on the bill, and I see from the report that I can obtain an answer to the only question I had in mind. In short, I find that the transfer involves payment by the city of the fair market value of the property.

Mr. BENDER. I have before me a letter from the Bureau of the Budget which I think will satisfy the senior Senator from Oregon.

Mr. MORSE. I am satisfied, if the committee report is correct. It says that "the village will be required to pay the fair market value of the property at its highest and best use as determined by the Administrator, as of the date of such conveyance."

That is perfectly satisfactory to me, if the United States is to receive the fair market value of the property.

Mr. BENDER. That is correct.

Mr. MORSE. I wish to commend the Senator from Ohio for having taken care of that matter in connection with the bill, because, as he knows, I am the watchdog of the Treasury in connection with getting the fair market value for all property belonging to the United States. Therefore I am perfectly willing to have the bill passed.

Mr. BENDER. I thank the Senator.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 9671) was ordered to a third reading, read the third time, and passed.

ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 2268, House bill 11487.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 11487) to amend the act entitled "an act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment.

Mr. MORSE. Mr. President, I think the RECORD should show the committee's brief explanation of the bill. This bill also comes before the Senate as a result of the unanimous vote of the Committee on the District of Columbia.

The purpose of the bill is to reduce the registration fee for small two-wheel trailers; to permit such trailers owned by nonresidents to be operated in the District of Columbia without District registration; to provide a special registration fee for antique motor vehicles, and to authorize the issuance of congressional tags to the Chief Clerk, the Parliamentarian, and the Deputy Sergeant at Arms of the Senate. Comparable officers in the House are issued such tags under existing law.

There is a growing expansion in the automotive field in the small, two-wheel trailer rental service, under which a person may rent a trailer in one jurisdiction, attach it to his private motor vehicle, travel to another jurisdiction, and surrender the trailer to the local branch of the rental service. It may thus happen that a trailer registered in another jurisdiction will terminate a trip in the District. Inasmuch as this type of service is a convenient and practical service for persons moving small quantities of personal property, it is believed that the provision in existing law prohibiting the operation by District residents of trailers registered elsewhere than in the District should be qualified.

I urge that the bill be passed.

The PRESIDING OFFICER. The amendment of the Committee on the District of Columbia will be stated.

The LEGISLATIVE CLERK. On page 3, after line 21, it is proposed to insert:

SEC. 4. The first proviso of paragraph (c) of section 3, chapter 6, of title 40 of the Code of Laws of the District of Columbia, 1951 edition, relating to issuance of congressional tags, is amended by inserting after the phrase "to the elective officers and disbursing clerks of the Senate and the House of Representatives" a comma and the words "the Chief Clerk of the Senate, the Parliamentarian of the Senate, the Deputy Sergeant at Arms, Auditor, and Procurement Officer of the Senate."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 245. An act for the relief of Ahmet Haidun Koca Taskin;

S. 1375. An act for the relief of Pingfong Ngo Chung and Pearl Wah Chung;

S. 1622. An act to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes; and

S. 1814. An act for the relief of Teresa Lucia Cilli and Guiseppe Corrado Cilli.

The message also announced that the House had passed the bill (S. 2842) for the relief of Toini Margareta Heino, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 5590. An act to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever, approved February 28, 1929, by including therein the name of Gustaf E. Lambert"; and

H. R. 11473. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1957, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9739) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and for other purposes; that the House receded from its

disagreement to the amendment of the Senate numbered 64 to the bill, and concurred therein, and that the House receded from its disagreement to the amendment No. 50, to the bill, and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 1403. An act for the relief of Anthony J. Varca, Jr.;

H. R. 1986. An act for the relief of Robert M. Deckard;

H. R. 3062. An act for the relief of Paul H. Sarvis, Sr.;

H. R. 3987. An act for the relief of Onie Hack;

H. R. 4336. An act for the relief of Z. A. Hardee;

H. R. 5155. An act for the relief of Peder Strand;

H. R. 5690. An act for the relief of Camp Kooch-i-ching;

H. R. 6765. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims of the United Foundation Corporation of Union, N. J.;

H. R. 7738. An act for the relief of Scott Berry;

H. R. 9106. An act for the relief of Saul Lehman;

H. R. 10818. An act for the relief of George T. Moore and Carl D. Berry;

H. R. 10204. An act authorizing the Administrator of General Services to transfer certain land to Richard M. Tinney and John T. O'Connor, Jr.;

H. R. 11207. An act for the relief of Cyrus B. Follmer;

H. R. 11530. An act for the relief of M. Sgt. Harold LeRoy Allen;

H. J. Res. 636. Joint resolution for the relief of certain aliens;

H. J. Res. 637. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 638. Joint resolution to facilitate the admission into the United States of certain finances of United States citizens; and

H. J. Res. 639. Joint resolution for the relief of certain aliens.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 246) approving the granting of the status of permanent residence to certain aliens, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution and they were signed by the President pro tempore:

S. 417. An act for the relief of Pearl O. Seilaz;

S. 530. An act for the relief of the Sacred Heart Hospital;

S. 1146. An act to further amend section 20 of the Trading With the Enemy Act, relating to fees of agents, attorneys, and representatives;

S. 1414. An act for the relief of James Edward Robinson;

S. 1749. An act adopting and authorizing the improvement of Rockland Harbor, Maine;

S. 2016. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Lawrence F. Kramer;

S. 2152. An act for the relief of the estate of Susie Lee Spencer;

S. 2202. An act to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the valley division, Yuma reclamation project, Arizona, and for other purposes;

S. 2582. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended;

S. 3265. An act to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States;

S. 3472. An act for the relief of Patricia A. Pembroke;

S.3581. An act to increase the retired pay of certain members of the former Lighthouse Service;

S. 3778. An act to amend the act for the protection of walruses;

S. 3857. An act to clarify section 1103 (d) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended;

S. 3945. An act for the relief of Walter C. Jordan and Elton W. Johnson;

H. R. 5382. An act for the relief of W. R. Zanes & Co. of Louisiana, Inc.; and

H. J. Res. 591. Joint resolution to facilitate the admission into the United States of certain aliens.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred as indicated:

H. R. 1403. An act for the relief of Anthony J. Varca, Jr.;

H. R. 1986. An act for the relief of Robert M. Deckard;

H. R. 3062. An act for the relief of Paul H. Sarvis, Sr.;

H. R. 3987. An act for the relief of Onie Hack;

H. R. 4336. An act for the relief of Z. A. Hardee;

H. R. 5155. An act for the relief of Peder Strand;

H. R. 6765. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims of the United Foundation Corporation of Union, N. J.;

H. R. 7738. An act for the relief of Scott Berry;

H. R. 9106. An act for the relief of Saul Lehman;

H. R. 10818. An act for the relief of George T. Moore and Carl D. Berry;

H. R. 11207. An act for the relief of Cyrus B. Follmer;

H. R. 11530. An act for the relief of M. Sgt. Harold LeRoy Allen;

H. J. Res. 636. Joint resolution for the relief of certain aliens;

H. J. Res. 637. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 638. Joint resolution to facilitate the admission into the United States of certain fiances of United States citizens; and

H. J. Res. 639. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. R. 5690. An act for the relief of Camp Kooch-i-ching; to the Committee on Interstate and Foreign Commerce.

H. R. 10204. An act authorizing the Administrator of General Services to transfer certain land to Richard M. Tinney and John T. O'Connor, Jr.; to the Committee on Government Operations.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 246) approving the granting of the status of permanent residence to certain aliens, was referred to the Committee on the Judiciary, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress approves the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 6 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044):

A-6827809, Ai, Kuo-Yen or Kuo-Yen Thomas Ai.

A-6916280, Ai, Josephine Yueh-Li Mao.

A-7383344, Avella, Eva Maria (nee Ruttkay).

A-6059371, Banaszkiewicz, Leszek Romuald.

A-7444647, Benedikt, Erwin.

A-8036432, Berkovits, Ervin.

0300-402795, Bloks, Peteris.

A-9748478, Bok, Leung Koon.

A-8079746, Braun, Naftali.

T-2760124, Chai, Sum.

A-5770643, Chan, Sik Hung or Howe Chan or Henry Sighung Chan.

A-8955072, Chang, Ching Shan.

A-6084090, Chang, Fu-Kuei.

0300-471516, Chang, Chang-Chwan.

A-8875962, Chang, Ho Shing.

A-6967248, Chang, Mary Mei-Li.

0300-322153, Chang (nee Joi).

A-7355370, Chang, Phillip Wei-Li, also known as Chang Wei-Li.

A-7292164, Chang, Silas Hsien-Ta.

A-6959863, Chang, Carol Fang.

A-6848012, Chang, Wen-Han.

T-359293, Chao, Howard Hao Sheng.

A-6251861, Chao, Hsien-Gieh Sie.

0300-471322, Charbani, Chaoul Ibrahim or Saul Charbani.

A-4825480, Cheng, Chow Sun.

A-6084186, Yi-Hsien, Chow.

A-7782851, Chen, Chung Peng.

A-356977, Chen, Hsu-Tu.

A-7389479, Chen, Hue-Chen.

A-10066139, Chen, Katherine Chih-Mei.

T-301887, Chen, Leo Hsiao-Lin, formerly Chen Hsiao-Lin.

T-301886, Chen, Helena H. (nee Hsun Hsin Cheng)

T-301888, Chen, Carlson.

T-301889, Chen, Kiki Nelson, formerly Kee Chen.

A-6967327, Chen, Lydia Pi Lin.

V-753648, Chen, Mary or Sister Mary Anunciata Chen.

0300-467050, Chen, Shueng Ching Chang.

A-7292410, Chen, Victor Anchao.

0300-419633, Chen, Vung Yueh.

A-7056595, Chen, Yia Shen.

A-9678204, Cheng, Ah Tooi.

A-6973688, Ch'eng, Kuang Chin.

V-1242064, Cheng, Mary Molan.

E-057486, Cheng, Sun Tong.

A-6084123, Cheo, Ying Chang, also known as Vincent Y. C. Cheo.

A-9579541, Cheong, Tsang.

A-7295490, Chia, Teh-Tsao.

A-6522853, Chiang, Chin Long.

A-6522854, Chiang, Fu Chen.

A-4919939, Chiang, Pei-Run.

A-7583971, Chiang, Lena.

A-6992023, Chi-Lung, Li or Sister Mary Claudia.

0300-93183, Ching, Tung Jui.

A-1161839, Chiu, Churchill Too-Ming.

A-7445196, Chiu, Shiao-Yuen (Victoria Maria Chiu).

A–6849825, Cho, Frank Fu-La.
A–9245145, Chong, Ah Sung.
A–7860200, Chou, Albert Sze-Ching.
V–885173, Chow, Hee Yar Wong.
1600–106555, Chow, Some Foot.
1600–106556, Chow, Some How.
1600–106557, Chow, Some Kid.
A–9073827, Choy, Soo.
A–6709314, Chu, Bark-Ho.
A–6877770, Chu, Chih-Cheng.
A–6967268, Chu, Herbert Yuan-Sing, formerly Yuan-Shing Chu.
A–8057137, Chu, Tsu Hsi.
A–7243064, Chu, Yueh Chang.
A–9568331, Chu, Yung Shing.
0300–436371, Dai, Chan.
A–7480686, Dembitzer, Abraham.
A–6980355, Djang, Jane Chu, also known as Chang Chu.
A–8258348, Fang, Ta-Chuan.
A–7095389, Fang, Tao Yao.
A–9684299, Fat, Ho, also known as No Kong Hon.
0300–469308, Fatt, Chin, also known as Ching Fott, also known as Cham Fatt.
A–6650785, Fong, Tsung Butt.
A–8198637, Gluck, Andor.
A–7819648, Gluck, Aron.
0300–463505, Gluck, Hela.
A–10141603, Gratzer, Rozina.
A–7830718, Ha, Chen Chun.
T–300009, Han, Andrew I-Chih.
A–6855624, Han, Rebecca Chih Lan.
A–8153566, Hartman, Dora Meisels.
A–5153507, Henry, Wei (Mun-Hee).
A–7632418–T, Ho, Lok Shang.
A–6704241, Ho, Thomas C. K., also known as Chi-Kao Ho.
A–6847752, Ho, Lucy Chao (nee Lucy Wan-Chen Chao).
0300–457392, Hong, Than Sien.
A–8915816, Hong, Yung Shing.
A–6849397, Hsiao, Chi-Mei.
A–6027123, Hsiao, Feng.
T–2699670, Hsiao, Kuang Hao.
A–8876992, Hsiao, Samuel Chi, also known as Wang-yuan Hsiao.
A–8876994, Hsiao, May Lee, also known as Elsie Marie Hsiao.
A–8876995, Hsiao, Victor, also known as Chi-sheng Hsiao.
A–8876993, Hsiao, Christopher, also known as Chi-min Hsiao.
A–7389362, Hsieh, Hua-Kuang.
A–6967604, Hsieh, James Ke Ming.
A–7389467, Hsieh, Po Yuen.
0300–182009, Hsieh, Tsu Hsi.
A–0944164, Hsu, Chih Kien.
A–8979938, Hsu, Han-Kuang.
A–6848375, Hsu, Kwan.
A–7805868, Hsu, Robert Ying Hwang.
A–6033147, Hsu, Tony Tatung.
1103–13015, Ting, Rosalind Yi Ming.
A–8982869, Hsueh, Wei Yuan.
A–8982868, I-Chieh, Mai Yin.
A–8982873, Hsueh, Mary Andy.
A–8982872, Hsueh, Angy.
A–8982871, Hsueh, Army.
A–8982870, Hsueh, Antung.
0300–344285, Hu, Mabel Liang.
A–7731146, Hu, Yung Chun.
A–10076472, Huang, Chamber.
0300–362053, Huang, Dorothy Hsiu Ting.
A–7948396, Huang, Paul.
A–8957076, Huang, Margaret Jean.
A–6196024, Hui, You.
A–8093871, Huskel, Joseph Haim.
A–8980010, Hwang, Ching Yun.
A–8980011, Hwang, Ella Koh-Chang Li.
A–8980012, Hwang, Chien Sheng.
A–6669707, Hang (Wong), Joseph Ru-Yu.
A–8951034, Hwang, Beth Han-Chen Liu.
A–8951033, Hwang, Betty Shao-Chen.
E–47222, Ivanov, Victor Michael.
E–47223, Ivanov, Zenaida Alexandrovna.
A–7985645, Jeng, Chorng-Shiaw, also known as Douglas Chorng-Shiaw Jeng.
E–118862, Kalebota, Oliver.
A–7290189, Kalish, Edith.
A–6848587, Kao, Wen Shui.
A–7952708, Kaufman, Samuel.
A–7120687, Kaye, Show-Wei (Alan).
A–7366383, Kendi, Zekiye.
A–7356384, Kendi, Linda Chahoud.
A–6985805, Kiang, Sheng Piao.
V–305645, Zee, Lin Chen, also known as Mimi Kiang.
A–6694224, King, Lucia, Joan Wou.
A–7081614, King, Memee Hien-Kouen.
0200–102836, King, Lung Chang.
A–7790652, King, Yun Ching Mao.
A–7790649, King, Josephine Schweng.
0200–130574, King, David Da-Wei.
A–6849450, Kuh, Ernest Shiu-Jen.
A–10015956, Kuzura, Hans.
A–5394024, Lam, Tam.
A–7365686, Lan, Yu Hu or Lucy Yu Hu Lan.
0300–454039, Leban, Ivan Stanislaus, also known as John S. Leban.
A–7274351, Lee, Chwan-Chang Nai-Kuan.
A–7389484, Lee, Ding Wong.
A–6049385, Lee, Mov.
0300–457461, Lee, Tsung-Dao.
A–6967640, Lee, Jeannette Chin.
A–6872458, Lee, Yung Chia.
A–8982880, Leung, Tak So, alias Catherine Tak So Leung.
A–6703452, Li, Hui-Sen or Victoria Hui-Sen Li.
A–6958557, Li, Louis Hsiao-Chao.
A–7202735, Liang, Hou Jan.
A–7295485, Liang, Kang-Shun.
A–7399259, Liang, Rio (Shui-Oi) Lin.
A–6442562, Liang, Siu Seu Kei.
0300–470029, Lien, Ho.
E–083509, Lillimagi, Leonardo.
E–083510, Krup, Arne, also known as Arne Lillimagi.
A–6847733, Lin, Hung Chang.
A–6567581, Lin, Anchen Wang.
A–6967590, Lin, Lan Ying.
A–7354778, Lin, Lucy Kwen-Yuan.
A–6843380, Lin, Mary Elizabeth, formerly Mary Elizabeth (Betty) Young or Yang Wei-Tsung.
A–6552714, Lin, or Po-Chen.
A–8153629, Lin, Hsi-Chuan (nee Chen, Hsi-Chuan).
A–7295496, Lin, Samuel Paoshi, formely Lin Pao-Hsi.
A–7078166, Liu, Elizabeth Hwai-Ying.
A–8982882, Liu, Hannah Man-Hwa.
A–6847864, Liu, Hsiao-Chuan.
A–7850968, Liu, Jeannette Che-Chien.
0300–314881, Liu, Norah Tang, also known as Shiu Ming Tang.
A–8995041, Liu, Philip Sze-Yung.
A–7456051, Liu, Theresa Hui.
0300–399845, Liubicich, Ivan.
A–9128943, Lo, Yen.
A–7387939, Leoffler, Olga nee Weisz.
V–754182, Loh, James Mei-Huang.
0300–382462, You, Tai Yeong Shiue.
0300–468623, Lou, Whei Ling.
0300–468622, Lou, Whei Ping.
A–7857768, Lowe, Diana Ming-Duh.
A–7808104, Lowy, Bertha.
A–8955198, Lu, Ponzy.
A–8955199, Lu, Kai Roh, also known as Cary Lu.
A–6958639, Lui, Chum Lau.
A–6983525, Maday, Maria.
A–8150145, Maday, Zsolt Bela Gaspar.
1308–8483, Maday, Katalin (Kathy) Maria Erzsebet.
A–9550839, Manka, Jan.
A–8995042, May, Chu Tom Chung.
A–6962962, Meng, Ching-Hwa.
1300–134705, Miao, Pei Chi.
A–6848595, Nee, David Shou-I.
0300–369097, Ogorek, Leib.
A–7436639, Ogorek, Cily (nee Meyerovich).
A–7282130, Pao, Huei-Yuan (John).
A–7444657, Pejsa, Lubomir Oscar, also known as Larry Pejsa.
A–9759315, Perme, Milan.
A–8853556, Peros, Venci.
A–9576034, Piew, Jan.
A–7367940, Poon, Wai Ha or Mrs. Henry Louis.
V–1184123, Popoff, Leo.
V–1184124, Popoff, Alla.
T–1495443, Popoff, Marina.
T–1495444, Popoff, Andrei.
A–9665946, Porubov, Roman Deevich.
0300–305335, Posner, Pola.
A–7828309, Quo, Diana Shu.
A–7828310, Quo, Edward.
A–7365708, Rabinovici, Benjamin.
A–7988114, Roth, Miklos.
A–7988111, Roth, Geza.
E–8381, Rubin, Maximilian.
A–7223159, Rubinstein, Adolph.
A–9519927, Sak, Fung or Fung Sik.
E–058296, Sang, Chan.
E–084407, Sawicki, Jerzy Grzegorz.
A–7243000, Scheiner, Herbert.
0300–466312, Sha, Tseng, Lu.
A–7865359, Shang, Ching-Ting.
A–7350585, Shao, Lillian Chang.
A–7350586, Shao, Eugene.
A–7350587, Shao, Betty.
A–7350588, Shao, Jane.
A–7350589, Shao, Stella Lou.
A–7350590, Shao, Susie.
A–7350592, Shao, Connie.
A–8995044, Shee, Wong.
A–8245890, Shen, Chen Tung.
1600–107942, Shen, Yung Chung.
0300–457390, Shoo, Koo Ah.
A–7118648, Sih, Kwang Chi.
A–7395232, Soong, Kwan Hua.
V–469348, Sun, Arnold Yiu Fang, formerly Sun Yiu Fang.
A–7456028, Sun, Betty Chia-Hui.
A–6851441, Sun, Ho Sheng.
A–7463623, Sun, Sung Huang.
A–7248491, Sung, Albert Yun-Hua.
A–6848633, Sung, Neng-Lun.
A–7416448, Sung, Rodney Lu Dai.
A–6704103, Swen, En-Lienor Ruby En-Lien Swen.
A–7821882, Szu-Tu, Anthony Yen-Sheng.
0300–408601, Tai, Chao Yao, also known as Clement Leo Tai.
0300–408602, Tai, Chu Ching Hsin, also known as Clare Chu Tai.
E–058041, Tai, Chew Jee.
A–10065565, Tawil, Clement Ibrahim.
A–7174723, Teng, Hsi Ching.
A–5753754, Toa, Chan Sze.
A–5182572, Tom, Wallace, also known as Tam Kam Cheung.
T–2080412, Tong, Long-Sun.
A–8173633, Tsai, Bruce Kuo-Hai.
A–6973686, Tsai, Stephen Wei Tun.
A–6153407, Tso, Piao Frank.
A–7282962, Tung, Agatha Feng-Mei.
A–7457555, Vassos, Christos Antonios.
A–8190484, Vernitsky, Nadezda, formerly Nadezda Leithammel (nee Kepper).
E–085343, Wadhsmuth, Leonard or Leonhard.
A–9623511, Wah, Chin.
A–8878066, Wah, Chu Kwong, also known as Kwong Wah Chu.
A–7284218, Wang, Allan Tsong Kao.
A–5369089, Wang, David Kehsin.
A–6463163, Wang, Jimmy Peng-Lin.
0300–472021, Wang, Jinq Bor, or Jinq Bor Tang.
0300–469273, Tang, Fan Kuo.
0300–469702, Tang, Ping Chien.
A–4374750, Weber, Estera P.
T–1496395, Wong, Chung Dong.
1300–84918, Wong, Lee Yung.
0300–387779, Wong, Yung.
A–9798854, Wong, Yung Ching.
T–2809651, Woo, Lin Siang.
A–7297983, Wu, Joseph.
A–7073634, Wu, Tao-Yuan.
A–6259104, Wu, Yuan-Li.
0204/5969, Yang, Chen-Ping.
A–7418233, Yao, John Chun-Yu.
A–10135697, Yao, Mary Soo-Wah.
T–1746758, Yao, Sin Ping.
V–1438199, Yeh, Tsun-kai.
A–7274654, Yih, Chia Moun, also known as Manette Chia-Moun Yih.
A–7424859, Ying, Chieh-Liang.
A–8870545, Yu, Edwin.
A–7462148, Yu, Eileen Hsiu-Yung (nee Wu).

A–7202749, Yuen, You Liang.
E–086499, Yurman, Alberto, or Alberto Jurman.
0300–17305, Zaveckas, Adomas, also known as Adomas Plecuakas Zaveckas.
A–6325061, Altenbrun, Juliane.
A–6325059, Andre, Maia.
A–8172278, Bandera, Vittorio Giovani.
A–8830712, Bronevsky, Sergiu Aristotel.
A–9825253, Bussanich, Antonio, also known as Anthony Bussanich.
A–7415211, Chai, Chiuling.
0400–46784, Chan, Chow Shun.
0300–226262, Chan, Gat Chong, also known as Johnny Chan.
0300–279131, Chan, Raymond Loi-Ming.
0300–460911, Chan, Anita Wu.
0300–360856, Chan, Roger Chi-Yit.
A–9633955, Chan, Sow.
1300–113468, Chang, Betty Low, also known as Foon Ngan Low.
A–7389486, Chang, Yunshan Katherine, formerly Yunshan Shih.
A–6623720, Chao, Tzu-Chow.
A–7439036, Chao, Frank Yin-Tzu.
A–7439037, Chao, Jimmy Min-Tzu.
A–7439038, Chao, Gene Jao-Tzu.
A–10141625, Chen, Chunjen Constant.
A–10141624, Chen, Eva Yi-Fu Chien.
A–10141635, Chen, Yung Ming.
A–10141623, Chen, Yung Kang.
A–9769854, Chen, Mai Kong.
A–6851419, Chiang, Alpha Chung-I.
A–7354784, Chiang, Emily.
A–7143990, Chiang, Robert Sish-Hauan.
A–6967664, Chiang, Ruby Ju-Pi.
V–754381, Chiang, Tung Ming.
A–7389360, Chian, Kun Li.
0300–394851, Chin, Moy, also known as Kong Moy Chin.
A–6967643, Ching, Amy.
A–6858243, Ching, George Pao Kang, also known as Pao Kang Ching.
E–084353, Chong, Chung.
A–7436768, Chou, Chan Fong.
0300–347788, Chow, Ting-Chuan.
0300–460088, Chow, Fengling Ou.
0300–460090, Chow, Ninota Stephen.
A–6071279, Choy, Kee.
A–10135617, Choy, Som or Seng Tsai.
T–2064297, Chu, Helen Yu Li Chao.
A–8153740, Chu, Janet Yun.
T–1408515, Chu, Mabel Chen-Mi.
A–7274381, Chu, Wen-Chi (Diana).
E–082668, Cnesich, Antonio.
E–118711, Dai, Leong Kam.
A–7243251, Diminich, Milan.
E–057950, Doo, Sze, Wod.
E–086370, Eckstein, Ervine.
0300–444834, Eng, Hu, also known as Chin Inn.
A–8055364, Fajncajg, Chaja.
A–7865110, Fajncajg, David.
A–8055371, Fajncajg, Icchok.
A–9731873, Fat, Kan Chung.
0300–414355, Fat, Tsung.
A–8916443, Fatt, Cheng.
A–7802066, Fisers, Karlis Hermanis.
A–7913545, Fishman, Chaim.
A–9782527, Fong, Cheng.
E–086609, Fong, Mon or Fong Mon or Feng Ming.
A–8826832, Fook, Ng.
A–1762198, Fook, Wong Ah.
0300–475315, Four, Lum.
A–7424925, Frey, Andrew, also known as Andras Frey.
A–7424926, Frey, Clara, also known as Klara Frey (nee Rudas).
A–7480684, Fried, David.
A–10067763, Fried, Livia.
0300–313392, Friedman, Miklos.
0300–313393, Friedman, Edith(nee Weisz).
0300–314455, Frosh, Magda.
T–1496401, Fu, John E. Kai-Cheng, formerly Yuh Sen Fu.
A–8211344, Fu, Frances Hsing-Chao (nee Lee).
A–6851290, Fung, Shui Ching.
A–7223143, Gluck, Abraham.
A–7228321, Grunfeld, Rose (nee Schwartz).
A–7197486, Gyongy, Imre.
A–7197487, Gyongy, Alice.
A–7366218, Gyongy, Adrienne Gloria.
0300–471519, Hing, Ting.
A–6083399, Hin-Cheung, Hoh or David H. C. Hoh.
A–9646320, Hong, Lai.
A–10135618, Hroncich, Antonio.
T–1499144, Hsieh, Chia Chi, now known as Kate Hsieh.
A–7915690, Hsieh Ching-Kien, also known as Ching Chien Hsieh or C. K. Hsieh.
A–7396905, Hsiung, Chi Hwa.
A–6461174, Hsu, Chia Pi.
T–359254, Hsu, Pao Li.
A–6967601, Hsu, Yun Kung.
A–7882617, Huang, Jean Cho-Wu.
A–6848579, Huang, Jwo-Shauo.
A–7415301, Huang, Kee Chang.
A–6589910, Huang, Robert Kih-Hua.
V–605862, Huang, Stella Wong.
0300–460541, Huang, Yung-Chih.
A–7286963, Hwa, Chuan Shi or Francis Chuan-Shi Hwa.
V–57435, Hwang, Chen Hon.
A–7355248, Hwang, Yeu Puu.
A–4808163, Ivin, Sime Kuzman.
A–9764686, Jea, Foo.
A–6730662, Jeng, Wu Yung also known as Nelson J. Wu.
A–6542228, Karaulnik, Matus.
A–6542229, Karaulnik, Chana.
A–6542230, Karaulnik, Gloria Golda.
A–9948140, Kerkez, Bogdan Milo.
0500–48784, Ki, John Tche-Jen.
0300–356308, King, Wang Ying, also known as Ying King Wang.
A–9907380, Kloo, Francois.
A–10187248, Kokins, Edward or Eduards Kokins.
A–7868139, Kong, King Tong or Tom King.
A–7247542, Kung, Son Sung or Robert Son Sung Kung.
A–7267071, Chia, Mei Yun or May Mei Yun Chia.
E–094491, Kwai, Chan.
A–9709002, Kwai, Chang, also known as Chang Kwai Tsang.
A–7296134, Kwoh-I, Ai or Daniel Kuo Yi Ai.
A–7945953, Kwok, Clifford.
0300–336774, Kwok, Donald Chi Ping or Donald Kwok.
0301–21061, Kwok, Dennis Chu-Ming.
A–6967572, Kwok, Chin-San, also known as Rosalind Chin-San Kwok Chow.
A–6848555, Kwong, Shue-Shan.
0300–392478, Lam, Yat Fong, also known as Lam Fang.
A–7897517, Lebovitz, Miklos.
A–6589922, Lee Kung Ching.
A–7118661, Lee, Feng Chih Han.
A–9798519, Lee, Wen Kan.
A–7391013, Lederfajn, Abram.
A–7454543, Lerner, Isadore.
A–7991023, Lerner, Maria.
A–7991024, Lerner, Estera.
A–8037900, Ley, Hsiao-Min.
A–3073395, Li, Hui Lin.
0400–51309, Li, Chi Ying Hsu.
0400–55967, Li, June Sing Ju.
A–3640930, Liang, Hung.
0300–390885, Hung, Elsie, also known as Elsie Yahsieh Lee Liang.
0300–366350, Liang, Lone.
0300–344286, Liang, Suying.
A–7354764, Liang, Teresa Ai-Ling, also known as Carolina Ai-Ling Liang.
A–10060061, Liao, Lettice Ho.
A–10060122, Liao, Darwin Harry.
A–7362899, Ling, Sui-Lin.
A–7388007, Lieu, Aloysius.
A–6620896, Lin, Yin Po.
E–057315, Ling, Woo Zai.
A–4974265, Liu, Haosun.
A–5551670, Liu, Baogee.
A–7039102, Liu, Sze Swui.
A–6737213, Liu, Shih Jan.
V–885354, Liu, Chang Chih.
A–8105197, Lo, Hui Ch'uan or Howell Charles Lowe.
A–6848026, Lo, William Hui-Wen.
A–8091311, Loy, Wan.
A–6702200, Lu, Go.
0300–315394, Lum, How.
A–8198523, Ma, Gertrude, formerly Yun Chu Ma.
E–057985, Ming, Tong.
A–9518302, Moo, Wo Yee.
A–9541791, Ng, Ho.
E–057393, Ng, Shiu.
0300–398092, Nin, Leung.
A–9533426, On, Mark Tai.
A–8956479, Palango, Viktor, also known as Viktor Palovnikov.
A–8956481, Palango, Agnes (nee Walker or Valker).
0300–475079, Pao, Fah Lin.
0300–452721, Peras, Mario.
A–10135780, Picinich, Lorenzo Antonio, also known as Lawrence Picinich.
A–9541787, Pin, Lo.
A–7807631, Puhk, Heino.
0800–111738, Riszner, Rosa Ida (nee Schoepflin).
A–7393981, Rubin, Bernard.
0300–329210, Rubin, Ilona.
0300–376025, Rubin, Bluma.
A–7952698, Schapiro, Ely.
A–6967725, Sheng-Wu, Wang.
A–6967723, Shuen-Shan, Wang.
A–6848671, Shuen, Shih Chieh, now known as Anthony Shuen.
E–086380, Sing, How.
A–6848686, Soo, Shao Lee.
A–7821538, Dan, Gung-Tai, also known as Hermia Gung Tai Dan Soo.
A–7374695, Soong, Constance Yu-Ru (nee Sun).
A–8057789, Sow, Sin.
A–8234000, Sun, Emily I-Chu.
A–9948306, Suurhans, Rudolf.
0300–410182, Tai, Chan.
A–6041694, Tang, Chang Jun.
1600–91347, Tcheng-Tchao, Chen or Tcheng Tchao Chen.
A–6613770, Tchou, Pao-Hui, also known as Howard Pao-Hui Tchou.
A–6695454, Tiao, Hui-Li.
0300–468233, Tiao, Pei-Yun.
A–6851458, Tien, Ping King.
A–7389359, Tien, Nancy Nai-Ying Chen.
0300–469050, To, Sheng Sze.
0300–459049, Chin, Ham Po.
A–3397292, Tom, Won Shee.
A–8198643, Treitel, Leopold.
A–6976657, Tsai, Dora Yung-Chen (nee Yung-Chen Chu), also known as Yung-Chan Tse.
A–7399263, Tsao, Carson Kuo-Hsiang.
A–6849436, Tsao-Hwa, Kuo, also known as Edward T. H. Kuo.
A–7383370, Tse, Stephen Yung-Nien.
A–10142001, Tsing, Di-Tsin.
A–8091385, Tso, Feng Ah or Feng Ah Chu or Fah Voong Ah.
0300–323918, Vorhand, Victor, also known as Hersch Vorhand.
0300–323919, Vorhand, Niesel.
0300–323919, Vorhand, Berta.
0300–472736, Walinska, Wanda.
A–7269686, Wallach, Chnaier.
A–6849389, Wang, Ben Chang.
A–6851543, Wang, Chen I.
A–6848029, Wang, Chih-Chung.
A–10141552, Wang, Fang Wen.
A–6967633, Wang, Lillian Lin-Yen.
A–6967592, Wang, Marian Mei-Yen.
0300–471923, Wang, Men Chun.
0300–471924, Wang, Helen, also known as Hwei-Chen Helen Wang.
V–889926, Wang, Ming Kang.
A–6054040, Wang, Tso.
A–7223132, Weiss, Gerszon, formerly Weisz.
A–7444697, Wen, Bertha Yoen-Ngai.
A–10141627, Wen, Robert Kuo-Liang.
A–9766046, Wong, Chen.
A–10075791, Wong, Pao Hsiang.
A–10135746, Wu, Bosco Ting Lin, also known as Nicholas Wu.
A–8982881, Wu, Nan Hwa or Nancy Wu.
A–7903455, Wu, Nancy Yung-Chun.
A–7903454, Wu, Percy Liang-Yu.
A–10015501, Wu, Sophie Ann.
A–6967290, Yang, Hanford Han Foo.
A–7962614, Yang, Ih Cheo.

A–7830615, Yang, Julie Chi Sun.
A–6952369, Yang, Ling.
A–6263746, Yang, Ching-Sing Miao.
0300–468795, Yen, Hsin Yung.
0400–57735, Yip, Loretta Yuen Fong Hsu.
E–057257, You, Liu.
A–7476314, Yu, Moses Lee Kung.
V–754236, Yu, Cornelia.
A–8917908, Yu, Margaret.
A–6990735, Yuan, Robert Hsun Piao.
A–7383311, Yuan, Si-Chen.
T–2946897, Yuan, Jen-Chi Lu.
A–8217598, Yuen, Wai Lum or Ywai Lam Yuen, now known as William Yuen.
A–8065228, Yu-Seng, Hsia or H. Chu-Bao Shaw or Harrison Hsia.
A–8979849, Zielka, Siegfried.
A–8190221, Zivkovic, Bogdan Dusan.
E–082248, Zywko, Peter.
A–8845060, Ang, Huan Chun (Edith) (nee Kwoh).
0300–471573, Berzins, Laimonis.
A–7859850, Blonder, Josef.
A–6084180, Chang, Shu-Tsing (Street).
A–7060821, Chao, Pius Kuang-Wen.
A–7805871, Chen, Billy Deh-Bin.
A–7277348, Chen, Chung Cheng.
A–8125688, Chen, James Wen-Po.
A–7927821, Chen, Daisy Parker.
A–8015358, Chen, Ross, also known as Kong-Chie Chen.
0300–463699, Cheng, Chang-Chun.
1300–136558, Cheng, Sung Yuan.
V–885352, Chin, Fong-Von.
T–358275, Chiu, Yung Chuan.
A–7243149, Deutsch, Laszlo (Leslie).
A–7243148, Deutsch, Rosalia Olga.
E–057844, Gow, Won Kun, also known as Won Sing.
A–6940545, Ho, Stanley Siang-Lin.
A–6881737, Hsi, Ching Seng.
A–6986514, Hsi, Kathy C.
A–7860201, Hsi, Helen Yu-Ching.
T–358271, Hsin, Ling Hsien.
A–7865335, Hsu, Chao Yung.
A–6967274, Hseuh, Rosemary Sun King.
A–10135565, Johanson, Elmo.
A–7374669, Kai-Li-Diao, Elizabeth.
A–4473105, Karlic, Sime Ivan, also known as Sam Karlich.
A–7354781, Kee, Lau Cheong.
A–7865355, Keh, (Edward) Shou Shreu.
A–7865356, Keh, Martha Mei Sing (nee Chen).
A–6845062, Keng-Kwan, Chuan Mary, now Edwards.
A–1003584, King, Wei Hsien.
A–1617804, King, Yao Ying Sze.
A–10074297, King, Richard Lien Chao.
A–7897518, Koo, Chia Tsung.
A–7282999, Ku, Chia Cheng.
A–7526796, Kwok, Jean Gee Hing (Gee Hing Kwok).
A–7376935, Lee, Chiu Tseng.
V–1183770, Lee, James H.
V–1183775, Lee, Laura.
A–6848553, Lee (Seward), Say Wah.
A–6848708, Lee (Simone), Shi Wen (nee Yoh).
A–6847779, Lee, Vivian Yang (nee Yang Pao Chiu).
A–7118694, Li, Huon.
A–7118680, Li, Wei-Shan.
A–7450486, Liim, Villi.
A–6991765, Ling, Wilfred Chen-Sun.
A–8873894, Lis, Stanislaw.
A–7857694, Lowe, Joseph Dzenhsi.
A–8951035, Lowe, Madge Lee (Ting-Yu Lee).
A–8951036, Lowe, Benny Tsin-Yuan.
A–10073387, Lu, Yen Shen.
A–10073386, Lu, Yen Chi.
A–7118690, Mao, Tchen-Lien, also known as Lucy T. L. Mao.
0300–359383, Marciniewicz, Czeslaw.
A–7853070, Nissan, Anwar Yacoub.
A–7419931, Pao, Yee.
1300–106845, Profaca, Vincenzo.
1300–108948, Profaca, Maria.
1300–110382, Profaca, Diana.
1300–110383, Profaca, Luciana.
A–7299349, Sah, Chih-Tang.
A–7830664, Shen, Tsuh-Ming, also known as James Tsuh-Ming Shen.
A–7962545, Sing, Wong Wing.
A–7463307, So-Yuk, Lew Chao.
A–7362938, Sun, David Chen-Hwa.
A–6781264, Sung, Wong Yang.
A–9208465, Tabulov, Ante Truta.
1300–136085, Ting, Chiew Heer.
0501–20280, Tseng, Chin Kuan.
A–7391680, Tung, Shiu Hang.
A–7285811, Wang, Chi-Wu.
A–7491837, Wang, Hsueh Jeh.
A–7491838, Wang, Hwei Chen Lu.
A–6843445, Yang, Ping-Shiang, also known as James Yang.
A–6967760, Wei, Ling.
A–7202733, Wei, Alice Jun.
A–10053722, Wei, Lilly Kay.
A–7292439, Wei, Young.
A–7118695, Lee, Young Ho.
A–7297990, Weidenmiller, Helen Carla, also known as Helena Carla Stembera.
A–7244892, Weingarten, Arthur.
A–6886896, Willinger, Rosalia.
A–8916442, Wong, Tsa Chung.
A–8082677, Wu, Fa Hsiang, also known as Frazer Wu.
A–8956275, Wu, Chin, Chung Yu.
A–8956276, Wu, Lan Sing.
A–8956277, Wu, Fu Sing.
A–7123419, Yen, Chih-Min.
A–8015340, Yin, Ken Hu.
A–8259445, Yin, Yee Fang Kwan.
A–8015342, Shen, En, also known as John Yin.
0400–59703, Yin, Cheng Shu, also known as Philip Yin.
A–7296133, Yu, Arthur Jun-Shen.
A–7436727, Zee, Frank Wei Min.
A–9759314, Zuber, Novak.
0300–406963, Duck, Chow.
0300–459682, Pao, Li Ah, also known as Pao, Lee Ah.
0300–423722, Tim, Tam or Tim, Harold Tam.
0300–456055, Liang, Chen Fou.
E–086835, Sung, Lam Kim.
T–1892794, Wong, Ding.
A–7247308, Farkas, Adam.
A–9673450, Ken, Lo Lien or Seng, Lo Lien.
E–086119, Kao, Hai Chuen.
A–9732049, Potman, Axel.
0200/121276, Tong, Kun.
A–9825413, Yu, Pang.
0300–471507, Ching, Wong Ping.
A–6703360, Li, Tsung Ming.
A–7350836, Li, Mary Loh.
E–096788, Nam, Chan.
0300–461417, Seng, Choy.
A–7486941, Lau, Wing Gong.
T–1496495, Tan, Shu-Tsun.
T–1496494, Tan, Jeon E. Chang.
A–6849829, Yu Yi Yuan, also known as Yu, Rutherford Berkeley.
A–6699880, Chen, Lien Ching.
0300–464139, Strklja, Yerko Grgas.

RAILWAY–HIGHWAY GRADE ELIMINATION STRUCTURES IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 2269, Senate bill 2895.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2895) to amend the acts of February 28, 1903, and March 3, 1927, relating to the payment of the cost and expense of constructing railway-highway grade elimination structures in the District of Columbia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments on page 2, line 7, after the word "such", where it appears the second time, to strike out "project" and insert "projects"; in line 17, after the word "project", to insert a colon and *"Provided further,* That the obligation within this limit of the railroad carrier affected shall be determined in accordance with the provisions of subparagraph (b) of section 5 of the Federal-Aid Highway Act of 1944;"; on page 4, line 7, after the word "such", to strike out "project" and insert "projects"; and in line 15, after the word "project", to insert *"Provided further,* That the obligation within this limit of the railroad carrier affected shall be determined in accordance with the provisions of subparagraph (b) of section 5 of the Federal-Aid Highway Act of 1944"; so as to make the bill read:

Be it enacted, etc., That the second sentence of the second paragraph of section 10 of the act of February 28, 1903 (32 Stat. 918), as amended (sec. 7–1214, D. C. Code, 1951 edition), is amended to read as follows: "The cost and expense of any project for opening any such street or highway within the limits of such railroad company's right-of-way, including the cost of constructing the portion of any viaduct bridge, within said limits, shall be borne and paid as follows:

"(1) The District of Columbia shall apply to the payment of such cost and expense all Federal aid highway-railway grade separation funds available for use by the District of Columbia at the time any such project is programed and all such funds which become available for use on such projects by the District of Columbia during the construction of such project;

"(2) If such Federal aid highway-railway grade separation funds are insufficient to pay the cost and expense of any such project, the portion not so covered shall be paid one-half by the railroad company, its successors and assigns, whose tracks are crossed and one-half by the District of Columbia: *Provided,* That in no case shall the obligation of the railroad company affected exceed 10 percent of the total cost and expense of such project: *Provided further,* That the obligation within this limit of the railroad carrier affected shall be determined in accordance with the provisions of subparagraph (b) of section 5 of the Federal-Aid Highway Act of 1944;

"(3) After construction, the cost of maintenance shall be wholly borne and paid in the case of highway overpasses by the District of Columbia, and in the case of highway underpasses by the railroad company, its successors and assigns, whose tracks are crossed; and

"(4) The portions of such streets planned or projected as above which lie within a right-of-way belonging to such railroad company shall be dedicated by such company as a public thoroughfare when the portions of such street adjoining such right-of-way have been similarly dedicated or otherwise acquired."

SEC. 2. (a) That section 3 of the act of March 3, 1927 (44 Stat. 1353; sec. 7–1215, D. C. Code, 1951 edition) is amended by striking therefrom the word "steam."

(b) So much of section 3 of such act approved March 3, 1927, as reads: *"Provided,* That one-half of the total cost of constructing any viaduct or subway and approaches thereto shall in such case be paid by the railroad company, its successors or assigns, whose tracks are so crossed; and in the event the rights-of-way of two or more railroad companies are so crossed said half cost as herein provided shall be paid by the said railroad

companies, their successors or assigns, in proportion to the widths of their respective land holdings, and all" is amended to read as follows: *"Provided,* That the total cost of constructing any project for such viaduct or subway and approaches thereto shall be borne and paid as follows:

"(1) The District of Columbia shall apply to the payment of the cost of such project all Federal aid highway-railway grade separation funds available for use by the District of Columbia at the time any such project is programed and all such funds which become available for use on such project by the District of Columbia during the contruction of such projects; and

"(2) If such Federal aid highway-railway grade separation funds are insufficient to pay the cost of any such project, the portion not so covered shall be paid one-half by the railroad company, its successors and assigns, whose tracks are crossed and one-half by the District of Columbia: *Provided further,* That in no case shall the obligation of the railroad company affected exceed 10 percent of the total cost of such project: *Provided further,* That the obligation within this limit of the railroad carrier affected shall be determined in accordance with the provisions of subparagraph (b) of section 5 of the Federal-Aid Highway Act of 1944: *Provided further,* That in the event the rights-of-way of two or more railroad companies are so crossed said half cost as herein provided shall be paid by the said railroad companies, their successors and assigns, in proportion to the widths of their respective landholdings, but the obligations of such companies shall not, in the aggregate, exceed 10 percent of the cost of such project: *Provided further,* That after construction the cost of maintenance shall be wholly borne and paid in the case of highway overpasses by the District of Columbia, and in the case of highway underpasses by the railroad company, its successors and assigns, whose tracks are crossed: *Provided further,* That in the event the rights-of-way of two or more railroad companies are so crossed, the cost of maintenance shall be borne and paid in the case of highway underpasses by the said railroad companies, their successors and assigns, in proportion to the widths of their respective landholdings. All".

Mr. MORSE. Mr. President, by way of explanation of the bill, let me say it also has been reported unanimously by the Committee on the District of Columbia.

The purpose of the bill is to provide that the District of Columbia shall apply to the payment of the cost and expense of the highway-railway grade separation projects referred to in the acts of February 28, 1903, and March 3, 1927, all Federal-aid, highway-railway grade separation funds available for use by the District on such projects at the time they are programed, and all such funds which become available for use by the District on such projects during the construction of such projects.

In the event that Federal-aid, highway-railway grade separation funds available to the District are insufficient to pay the total cost and expense of such grade separation projects, the total cost and expense of said separation projects not paid with such Federal-aid funds shall be borne and paid one-half by the railroad company whose tracks are crossed and one-half by the District of Columbia, provided that the railroad company's share of such cost shall not in any case exceed 10 percent of the total cost of such projects.

After construction, the cost of maintenance shall be wholly borne in the case of highway overpasses by the District, and in the case of highway underpasses by the railroad company.

This proposed legislation was requested by the Commissioners, as a result of recommendations of the Railway-Highway Division of Costs Committee which was appointed by the Commissioners.

I urge that the bill be passed.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT OF 1935

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 2270, House bill 7380.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7380) to amend the District of Columbia Police and Firemen's Salary Act of 1935, to correct certain inequities.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

Mr. MORSE. Mr. President, the purpose of the bill is to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended, so as to provide that the basic annual salary of a private of any class of the fire department shall be increased by $224 while he is assigned to duty as a regular first driver-operator or tillerman of a fire department hose wagon, pumper, aerial ladder truck, rescue squad, or fire department ambulance.

Hearings on the bill indicated that practically all the men affected by this proposed legislation are men who formerly served for many years as hose wagon or truck drivers, and who were reassigned to their present positions in order that younger members could be made available to perform the more arduous duties incident to driving certain fire apparatus. It appears to your committee that no penalty should be attached to reassignment of duties unless a lack of ability or efficiency has been established. Therefore, Mr. President, I urge that the bill be passed.

The PRESIDING OFFICER. The amendments of the Committee on the District of Columbia will be stated.

The amendments of the Committee on the District of Columbia were on page 1, after line 9, to strike out:

SEC. 2. Section 201 (b) of such Salary Act of 1953 is amended by (1) striking out "and" at the end of paragraph (3), (2) striking out the period at the end of paragraph (4) and inserting in lieu thereof the following: ", and", and (3) by adding at the end of such section 201 (b) the following new paragraph:

"(5) $420, while he is assigned to duty as acting sergeant."

SEC. 3. Section 202 (f) of such Salary Act of 1953 is amended by adding at the end thereof the following new sentence: "In computing service in the grade of inspector for the purpose of determining longevity increases, service in excess of 3 years rendered prior to the effective date of this act in the grade of private, when the individual was assigned to duty as a fire inspector or assistant marine engineer shall be considered service in the grade of inspector.".

SEC. 4. Title II of such Salary Act of 1953 is amended by adding at the end thereof the following new section:

"SEC. 203. Not less than fifteen privates of the Fire Department of the District of Columbia who have passed all examinations required for promotion to sergeant, shall at all times be assigned to duty as acting sergeants. Privates shall be selected for such assignment in the order in which they are scheduled for promotion to the grade of sergeant."

SEC. 5. Paragraph (2) of section 404 (a) of such Salary Act of 1953 is amended by inserting immediately before the semicolon at the end thereof the following: ", and the first and second provisos of section 4 of such act (D. C. Code, sec. 4–802)."

On page 3, at the beginning of line 5, to change the section number from "6" to "2," and in the same line, after the word "The", to strike out "amendments" and insert "amendment".

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

CONSIDERATION OF ADDITIONAL DISTRICT OF COLUMBIA BILLS

Mr. JOHNSON of Texas. Mr. President, if the distinguished Senator from Oregon [Mr. MORSE] will be kind enough to do so, I shall appreciate it if he will handle the list of 6 or 7 other District of Columbia bills, by asking that they be considered by the Senate in the order in which they appear on the list. The majority leader must be out of the Chamber for a few minutes, to attend another meeting.

If the distinguished Senator from Oregon—who has had such a great interest in all District of Columbia legislation, and who has done more for the District of Columbia than any other Senator I have known since I have served in the Senate, and who plans to handle these measures anyway—will take charge of them, I shall be very much indebted to him.

Mr. MORSE. Mr. President, before the Senator from Texas leaves the Chamber, I wish to say that I appreciate very much his comments about my service to the District of Columbia. However, I assure him that this service is shared very much by my colleagues on the committee, particularly by the distinguished chairman of the committee, the Senator from West Virginia [Mr. NEELY].

Mr. President, to the senior Senator from Texas [Mr. JOHNSON], I wish to say that I think the record will prove that during his service in the capacity of majority leader, more legislation in behalf of the District of Columbia has been passed under his leadership than at any other time during my more than 11 years of service in the Senate of the United States. As a member of the Committee

on the District of Columbia, and as chairman of its Subcommittee on the Judiciary, I wish to thank the distinguished majority leader for the cooperation we have always received from him when we have had District of Columbia problems to present.

Mr. President, today is almost city council day for the District of Columbia, here in the Senate. As we consider this long list of District of Columbia bills, we are almost sitting as the District of Columbia City Council. So, in the capacity of an alderman, I shall be very glad to carry out the instructions the majority leader has left with me, if that meets with the pleasure of the committee.

Mr. JOHNSON of Texas. Mr. President, I appreciate very much the statements of my generous and kind friend; and I thank him for them.

Mr. MORSE. I thank the Senator from Texas.

CEMETERY ASSOCIATIONS IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2271, Senate bill 2896, to amend the act relating to cemetery associations.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2896) to amend the act relating to cemetery associations.

Mr. MORSE. Mr. President, the purpose of the bill is to authorize the Commissioners of the District of Columbia, without regard to the provisions of section 27–114 of the District of Columbia Code—act of March 3, 1901—to license for cemetery purposes any parcel of land in the District of Columbia which does not exceed 1 acre in size and which except for a one-sided frontage of less than 100 feet on a public street or highway, is otherwise completely bounded by land dedicated to cemetery purposes.

While the language of the bill is general, and can apply to any parcel of land, it is at this time intended to take care of a particular situation which has existed for several years. The plot of land immediately concerned was acquired almost 30 years ago by the Washington Hebrew Congregation. It has a frontage of 90 feet on Alabama Avenue SE., approximately 400 feet east of Congress Place. Apart from this public-highway frontage, it is completely surrounded by cemetery lands owned by the Washington Hebrew and Adas Israel Congregations.

In keeping with my duties on the committee, I made a personal inspection, with counsel for the District of Columbia, of this piece of land, so that from my own observation I could pass upon the equities involved in the petition for the passage of this measure. There is no question about the fact that we would do a gross injustice to this congregation if we were to say that this little piece of land, surrounded by a cemetery property and graves on three sides, and by Alabama Avenue on the other side, could not be used for burial purposes. I urge the passage of the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2896) was ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That, without regard to the provisions of section 27–114 of the District of Columbia Code (act of March 3, 1901, 31 Stat. 1295, ch. 854, sec. 670), the Commissioners of the District of Columbia are hereby authorized to license for cemetery purposes any parcel of land in the District of Columbia which does not exceed 1 acre in size, and which, except for a one-side frontage of less than 100 feet on a public street or highway, is otherwise completely bounded by land dedicated to cemetery purposes.

DELAYED REPORTING OF BIRTHS IN THE DISTRICT OF COLUMBIA

Mr. MORSE. I now move that the Senate proceed to the consideration of Calendar No. 2272, House bill 9582.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 9582) to provide for the delayed reporting of births within the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, the purpose of this bill is to authorize and empower the Commissioners of the District of Columbia to adopt rules and regulations governing the filing of reports of births and the issuance of delayed birth registration certificates in such cases where certificates of birth have not been recorded pursuant to the act of March 1, 1907. Under that act, a birth must be registered by some person in attendance—a physician or midwife, or in their absence, any person who is actually in attendance of the birth. However, there have been many cases where such reports have not been filed.

Existing law makes no provision for a person whose birth has not been reported to establish his parentage and the date and place of his birth by means of baptismal, school, census, physician's, family, insurance, marriage, military, employment, voting, or other records, or by affidavits of persons having known such person since his birth. As a result, persons born in the District prior to the act of March 1, 1907, may not have had their births reported, and, because of the death or other unavailability of the person in attendance, are unable, under present law, to report the birth and to have such report form the basis for the issuance of a birth certificate by the District of Columbia.

I urge the passage of the bill, for obvious reasons of fairness.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 9582) was ordered to a third reading, read the third time, and passed.

INCORPORATION OF OAK HILL CEMETERY IN THE DISTRICT OF COLUMBIA

Mr. MORSE. I now move that the Senate proceed to the consideration of Calendar No. 2273, House bill 10374.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 10374) to amend the act to incorporate the Oak Hill Cemetery in the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, the purpose of this bill is to amend the act approved March 3, 1849, which incorporated the Oak Hill Cemetery, in the District of Columbia, so as to permit the board of managers of the Oak Hill Cemetery Co. to dispose of certain real property now usable only for cemetery purposes.

This cemetery was incorporated under a special act of Congress in 1849, and as is the general custom, it contained a provision in the act making all of its real estate inalienable. A number of years after the cemetery was incorporated, it purchased a parcel of ground across the street from the cemetery on R Street NW., which was used strictly for ancillary purposes such as worksheds and a stable and other activities that would not ordinarily be carried on within the cemetery proper.

Under existing law it would be impossible for the Oak Hill Cemetery to use this parcel for burial grounds as it would be necessary to obtain the consent of all property owners within 200 yards which, under the circumstances, would be unlikely. The cemetery now has an opportunity to sell this parcel of land; however, this proposed legislation is necessary before the sale can be consummated.

I therefore urge passage of the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 10374) was ordered to a third reading, read the third time, and passed.

TESTS TO DETERMINE THE PRESENCE OF ALCOHOL IN CERTAIN CASES

Mr. MORSE. I now move that the Senate proceed to the consideration of Calendar No. 2274, Senate bill 313.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 313) to prescribe the weight to be given to evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

That if, as a result of the operation of a vehicle, any person is tried in any court of competent jurisdiction within the District of Columbia for operating such vehicle while under the influence of any intoxicating liquor in violation of section 10 (b) of the District of Columbia Traffic Act, 1925, approved March 3, 1925, as amended (D. C. Code, title 40, sec. 609), and in the course of such trial there is received in evidence competent proof to the effect that at the time of such operation—

(a) defendant's blood contained five one-hundredths of 1 percent or less, by weight, of alcohol, or that defendant's urine contained eight one-hundredths of 1 percent or less, by weight, of alcohol, such proof shall be deemed prima facie proof that defendant at such time was not under the influence of any intoxicating liquor;

(b) defendant's blood contained more than five one-hundredths of 1 percent, but less than fifteen one-hundredths of 1 percent, by weight, of alcohol, or defendant's urine contained more than eight one-hundredths of 1 percent, but less than twenty one-hundredths of 1 percent, by weight, of alcohol, such proof shall constitute relevant evidence, but shall not constitute prima facie proof that defendant was or was not at such time under the influence of any intoxicating liquor; and

(c) defendant's blood contained fifteen one-hundredths of 1 percent or more, by weight, of alcohol, or defendant's urine contained twenty one-hundredths of 1 percent or more, by weight, of alcohol, such proof shall constitute prima facie proof that defendant at such time was under the influence of intoxicating liquor.

SEC. 2. (a) CHEMICAL TESTS.—Any person who operates a motor vehicle in the District of Columbia shall be deemed to have given his consent to a chemical test of his blood or urine for the purpose of determining the alcoholic content of his blood or urine: *Provided*, That such test is administered at the direction of a police officer having reasonable grounds to believe such person to have been driving in an intoxicated condition and in accordance with the rules and regulations established by the Commissioners of the District of Columbia or their designated agent. If such person having been placed under arrest and having thereafter been requested to submit to such chemical test refuses to submit to such chemical test the test shall not be given but the Commissioners or their designated agent shall revoke his license or permit to drive and any nonresident operating privilege: *Provided, however*, That the Commissioners or their designated agent shall grant such person an opportunity to be heard but a license, permit, or nonresident operating privilege may, upon the basis of a sworn report of the police officer that he had reasonable grounds to believe such arrested person to have been driving in an intoxicated condition and that said person had refused to submit to such test, be temporarily suspended without notice pending the determination upon any such hearing, which shall be held within 10 days from date of suspension unless an extension of time be requested by such person. If, as a result of such hearing, it be determined such person did not refuse to submit to such a test, his license or permit and any nonresident operating privilege shall forthwith be restored. The provisions of section 13 of the District of Columbia Traffic Act, 1925, as amended (sec. 40-302, D. C. Code), shall be applicable to revocations under this section.

(b) Upon the request of the person who was tested, the results of such test shall be made available to him.

(c) Only a physician acting at the request of a police officer can withdraw blood for the purpose of determining the alcoholic content therein. This limitation shall not apply to the taking of a urine specimen.

(d) The person tested shall be permitted to have a physician of his own choosing administer a chemical test in addition to the one administered at the direction of the police officer.

The amendment was agreed to.

Mr. MORSE. Mr. President, the purpose of this bill is to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in any court of competent jurisdiction within the District of Columbia for operating vehicles while under the influence of intoxicating liquor.

The bill creates two presumptions with respect to tests for alcohol in the blood or urine:

First. If the defendant's blood contains five-hundredths of 1 percent or less, by weight, of alcohol, or if his urine contains eight-hundredths of 1 percent or less, by weight, of alcohol, he shall be presumed not to be under the influence of intoxicating liquor.

Second. If the defendant's blood contains fifteen-hundredths of 1 percent or more, by weight, of alcohol, or if his urine contains twenty-hundredths of 1 percent or more, by weight, of alcohol, he shall be presumed to be under the influence of intoxicating liquor.

This proposed legislation would permit the District to offer in evidence the results of such chemical tests without the necessity of securing the services of an expert witness.

Twenty-two States have adopted chemical-test laws, as will be seen from the report.

Section 2 of the bill is similar to the implied-consent law of the State of New York.

The testimony was, without exception, that if the blood or urine contains the weight of alcohol set forth in the bill, there is no question about the driver being under the influence of alcohol. A laymen might possibly question that statement, but it is very interesting to point out what the witnesses made very clear. There is a body of unquestioned scientific data which bears out the testimony. It seems to be the invariable rule that, no matter how much an individual may drink, no matter for how long a period he may have been a heavy drinker, nevertheless, if his blood contains a certain quantity of alcohol, by weight, he is under the influence of alcohol.

So we are not dealing with the problem which was raised in the discussion in the committee, as to whether or not such a test might be unfair to the so-called heavy drinker, because when the alcohol in the blood or urine reaches a certain weight, no matter how long one had engaged in the drinking of alcohol, he is under the influence of liquor, so far as intoxication is concerned.

The second point I wish to bring out is that this procedure has become pro forma in the District of Columbia courts. There is only one doctor, and he volunteers his services by going to the police court and reciting what he very good naturedly said to us has now become almost a rote with him—a statement to the effect that the test had been given and the blood contained a certain weight of alcohol. He is doing this as a great public service to the District of Columbia, without charge, as did his father before him. As the record will show, he received the high commendation of the District of Columbia Committee for this public service. But it is pro forma. It is not necessary. It ought to be eliminated, and this bill seeks to eliminate it, as has been done in 22 other States.

Lastly, it will be noted that the bill provides for the adoption of a provision relative to so-called implied consent, which is found in the New York law, which has been thoroughly tested in the courts. Briefly, the application of the provision would be as follows:

Assume, for example, that an accident has occurred at Constitution and Delaware Avenues. X runs into Y. Y's car is damaged and Y is injured. The police officers come upon the scene, escort X to precinct headquarters and ask him to take an alcohol test. He refuses, which he has the right to do. He then automatically loses his right to drive a car until such time as a hearing is held, as provided in the bill, to determine whether or not he refused to take the test.

If my hypothetical Mr. X, who has been taken to the precinct station house, refuses to take the test, he loses his right to drive an automobile until the following events occur:

First. A hearing is held, as provided in the bill, which goes into the question as to whether or not he had refused to take the test. If, as the result of the hearing, it is found that he did refuse to take the test, he cannot drive an automobile until his innocence of the charge of driving while intoxicated is established.

Second. If his innocence is established he can drive again. If it is not established, or, in other words, if he is found guilty, automatically, under District law, he loses the right to drive for 6 months anyway.

The members of the committee on the District of Columbia are unanimous in their opinion. We wish to make it perfectly clear that we intend to do what we can to tighten the traffic laws in the District of Columbia so as to try to reduce the number of fatalities and injuries that are occurring on the streets of the District of Columbia. We want drivers to know that we are somewhat intolerant of the growing evidence that there is too much driving in the District of Columbia by people who have taken a cocktail or two, who cannot handle a cocktail or two. Since Congress still

maintains its city council functions—and we ought to get rid of them by passing a District of Columbia home-rule bill—the time has come to get tough with alcoholic drivers.

This section of the bill, which I urged in committee and with regard to which I accepted some amendments, is a section which in my judgment will cause people who go to cocktail parties believing they can handle 3 or 4 cocktails and then demonstrate they cannot handle even 1 cocktail, to think twice before they drive under such circumstances, for they will know they will be found guilty if an accident occurs as a result of their having had too much alcohol, as shown by weight in either their blood or urine. I urge the passage of the bill as a long-needed safety measure in the District of Columbia to protect the innocent from alcoholic drivers.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 313) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor."

CONTROL OF NARCOTICS, BARBITURATES, AND DANGEROUS DRUGS IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I move that the Senate proceed to the consideration of Calendar 2275, H. R. 11320.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 11320) to effect the control of narcotics, barbiturates, and dangerous drugs in the District of Columbia, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments, on page 1, line 3, after the word "the", to strike out "Narcotic" and insert "Dangerous Drug"; on page 9, line 22, after the word "or", where it appears the first time, to strike out "hynotic" and insert "hypnotic"; on page 17, line 3, after the word "other", to insert "drug or"; in line 10, after the word "and", where it occurs the first time to insert "(1)"; in line 21, after the word "drugs", to strike out "including barbiturates or amphetamines)"; on page 19, line 23, after the word "to", to insert "Federal and"; at the beginning of line 25, to strike out "or of the United States" and insert "and the laws of the United States applicable within the District of Columbia"; on page 25, line 17, after the word "the", to strike out "provision" and insert "provisions"; on page 34, line 14, after the word "the", to strike out "provitions" and insert "provisions"; on page 35, line 16, after the word "this", to strike out "Act" and insert "section"; on page 36, line 3, after the numeral "(1)", to insert "if committed prior to July 1, 1958; (2)"; and in line 6, after the word "and", to strike out "(2)" and insert "(3)."

Mr. MORSE. Mr. President, before I read my prepared statement on the bill I ask unanimous consent to have printed in the RECORD a statement prepared by the Senator from Maryland [Mr. BEALL], in which he discusses the use of the phrase "in the course of his professional practice," which is included in the definition of "practitioner" appearing in title II of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

A question has been raised over the use of the phrase "in the course of his professional practice," which is included in the definition of "practitioner" appearing in title 2 of the proposed Dangerous Drug Control Act for the District of Columbia. It is thought that such definition might conflict with the use of the term practitioner appearing in section 503 of the Federal Food, Drug, and Cosmetic Act (21 U. S. C. 353).

The definition of the term "practitioner" in the District bill is as follows:

"The term 'practitioner' means any person duly licensed by appropriate authority and, in conformance with the law, licensed to prescribe dangerous drugs, and to administer and use dangerous drugs in the course of his professional practice."

The term "practitioner" is not defined in the Federal Food, Drug, and Cosmetic Act as such but appears in section 503 defining a prescription drug which reads in part as follows: "shall be dispensed only (1) upon a written prescription of a practitioner licensed by law."

The selection of the definition of the term practitioner in the proposed District bill was deliberate, having in mind the objectives of the legislation which differ fundamentally from those of the Federal act.

The Federal Food, Drug, and Cosmetic Act is designed primarily to regulate and control the introduction and flow in interstate commerce of certain items, including drugs, to insure that the ultimate consumer shall not be harmed or injured by any impure, adulterated, or inherently dangerous substance, or one which has not been properly labeled or branded. Therefore, the Federal act is not directly concerned with individual conduct on the local level of those who handle and use these items which are not adulterated, impure or inherently dangerous, or which have not been misbranded.

To fill the gap between the introduction in interstate commerce of pure and unadulterated drugs, as provided by the Federal act, and the handling and use of such drugs on the local level, over two-thirds of the States have already adopted legislation to police the conduct of those who deal in or use these drugs.

Under the provision of this new Dangerous Drug Control Act for the District of Columbia it is intended that the conduct of those who handle, distribute, and use these dangerous drugs shall be regulated and controlled in order to minimize the chances and opportunities for abuse and misuse. By including the phrase "in the course of his professional practice" in the term "practitioner" the District act does nothing more than recognize and acknowledge the high type of professional conduct which governs the practice of local physicians who dispense and prescribe these drugs. Yet is must be recognized that there are unscrupulous persons who may be tempted to make indiscriminate use of their licensed authority to dispense these drugs to individuals who do not share the bona fide doctor-patient relationship. To strike the phrase "in the course of his professional practice" from the definition of practitioner in the bill would leave the door open to unethical doctors and illicit users.

The phrase itself is not new and can be found in identical usage in our Federal narcotic laws, in the Uniform Drug Act for the District of Columbia and in many of the State acts. With such precedents to follow, and with full understanding the purposes of the Federal act and the proposed new legislation for the District of Columbia, I feel any effort to change or alter the language of the definition of the term "practitioner," as the bill is presently written, would seriously weaken the more important enforcement and regulatory features of the act.

Mr. MORSE. Mr. President, the purpose of the bill is to improve existing programs for the treatment and rehabilitation of narcotic drug addicts, to provide controls over the distribution and use of barbiturates, amphetamines, and other dangerous drugs, and to strengthen present law enforcement procedures to combat the illicit drug traffic in the District of Columbia.

The first title corrects the manifold weaknesses in the present addict law and insures swift and certain commitment of drug addicts who show promise of benefiting from hospital treatment and rehabilitation in the community. Juveniles are specifically included among those subject to the provisions of the bill.

Title II regulates and controls the sale and use of amphetamines, barbiturates, and other dangerous drugs in the District of Columbia. Prescriptions, invoices, records, and inventories would be subject to inspection at all times by both Federal and District officials.

Title III amends the Uniform Narcotic Drug Act to permit arrest without a warrant as in the case of a felony or probable cause that the person to be arrested is violating a provision of the act at the time of his arrest.

The Public Health Service Act is also amended to require the Surgeon General to furnish to the Commissioners of the District of Columbia, or their designated agent, the name, address, and other pertinent information of any resident drug addict of the District of Columbia who has volunteered for treatment for addiction.

I would supplement my statement by saying that this is a long-overdue act. We held very thorough hearings on the bill. We had the cooperation of the very able chairman of the District Board of Pharmacists. Of course, there were some objections made to some of the procedural phases of the bill at one stage in the hearings, and probably there are still some objections to the bill. It does mean the placing of an additional burden of inspection on the pharmacists of the District.

However, when we weigh that burden against the need of protecting the public

from what is represented to us to be evidence of a constant increase in the drug traffic in the District and an increase in the use of the particular types of drugs we seek to regulate very stringently, there is no question that an inconvenience to druggists must give way to the public good.

I wish to say in behalf of the druggists, without committing any of them, that they cooperated with our committee and that they are entitled to the commendation of the committee and, for that matter, of the people of the District for their willingness at least to accede to the additional supervision which goes along with the provisions of the bill.

I urge its immediate passage.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time, the bill (H. R. 11320) was read the third time, and passed.

The title was amended so as to read: "An act to effect the control of narcotics and dangerous drugs in the District of Columbia, and for other purposes."

AMENDMENT OF DISTRICT OF COLUMBIA REVENUE ACT OF 1937

Mr. MORSE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2276, H. R. 3693.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3693) to amend title IX of the District of Columbia Revenue Act of 1937, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on the District of Columbia, with amendments.

Mr. MORSE. Mr. President, the purpose of this proposed legislation is to increase the term of the judge of the District of Columbia Tax Court from 4 years to 10 years, and provides retirement for the judge of such court as follows:

First. After having served as a judge of such court for a period or periods aggregating 20 years or more, whether continuously or not;

Second. After having served as a judge of such court for a period or periods aggregating 10 years or more, whether continuously or not, and having attained the age of 70 years; or

Third. After having become permanently disabled from performing his duties, regardless of age or length of service.

The bill was supported by the members of the Tax Bar Association of the District of Columbia and by other bar associations.

In support of the bill I wish to say that they convinced the committee unanimously that we are dealing here with a District tax court which is almost identical in every respect so far as type of case handled, and is identical with respect to procedure followed, with the United States Tax Court.

We are dealing also with a court on the bench of which there is required a man who has had many years of tax experience. Therefore, very frequently, the man appointed to a judgeship in the court is in the declining years of life. We feel, therefore, that such a judge should stand somewhat on a par with Federal Tax Court judges when it comes to retirement benefits.

The PRESIDING OFFICER. The committee amendments will be stated.

The first amendment of the Committee on the District of Columbia was on page 1, line 7, after the word "for", to insert the word "a".

The amendment was agreed to.

The next amendment was on page 3, after line 16, to insert:

SEC. 2. The amendment to the first paragraph of section 2 of title IX of the District of Columbia Revenue Act of 1937, set forth in the first section of this act, shall take effect after the expiration of the term of office of the present judge of the District of Columbia Tax Court.

Mr. MORSE. Mr. President, I offer an amendment to the committee amendment, in line 19, to strike out the word "eflect" and to insert in lieu thereof the word "effect." My amendment is to correct a typographical error in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3693) was read the third time, and passed.

LICENSING OF SECONDHAND DEALERS IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2289, H. R. 6782.

The PRESIDING OFFICER. The Secretary will state the bill by title, for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 6782) to amend section 7 of "An act making appropriations to provide for the Government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, the purpose of the proposed legislation is to bring up to date the act of July 1, 1902, relating to the licensing of secondhand dealers, by empowering the Commissioners of the District of Columbia to classify and regulate secondhand dealers in the light of modern merchandising methods.

Existing law requires the same procedure for licensing, as a secondhand dealer, of every person dealing in used personal property, regardless of whether such dealing is their primary business or whether such dealing is only incidental to the buying and selling of new personal property.

Existing law also requires every person licensed as a secondhand dealer to pay an annual license fee of $50, without regard to the extent to which such person deals in used personal property.

The bill merely brings up to date an old law of the District, and enables the Commissioners to properly regulate the sale of goods in the District by permitting the Commissioners to classify dealers. It would permit a better and more equitable administration and application of the license act.

I urge the immediate passage of the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. A. 6782) was ordered to a third reading, read the third time, and passed.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEPENDENT OFFICES APPROPRIATION BILL, 1957—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9739) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 20, 1956, pp. 10679–10681, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LONG in the chair). Without objection, it is so ordered.

The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 9739, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 20, 1956.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 64 to the bill (H. R. 9739) entitled "An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 50, and concur therein with an amendment, as follows: In lieu of the sum of "$75,000" named in said amendment, insert: "$50,000."

Mr. MAGNUSON. Mr. President, I move that the Senate concur in the amendment of the House to Senate amendment No. 50.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the House and Senate actions on various items in the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of House and Senate action on independent offices appropriation bill, 1957

TITLE I—INDEPENDENT OFFICES

Item	Appropriations, 1956 [1]	Budget estimates, 1957	Recommended in House bill for 1957	Amount recommended by Senate	Amount agreed to in conference
CIVIL SERVICE COMMISSION					
Salaries and expenses	$17,282,500	$17,618,000	$17,282,500	$17,532,500	$17,407,500
Investigations of United States citizens for employment by international organizations	[2] 107,100	574,000	450,000	525,000	487,500
Annuities, Panama Canal construction employees and Lighthouse Service widows	2,240,000	2,024,000	2,024,000	2,024,000	2,024,000
Payment to the civil-service retirement and disability fund	233,000,000	295,000,000	600,000,000	440,438,000	525,000,000
Administrative expenses, Federal employees' life insurance fund	(117,500)	(186,700)	(100,000)	(186,700)	(117,500)
Total, Civil Service Commission	252,629,600	315,216,000	619,756,500	460,519,500	544,919,000
FEDERAL CIVIL DEFENSE ADMINISTRATION					
Operations	[3] 12,125,000	21,700,000	15,560,000	21,700,000	15,560,000
Federal contributions	12,400,000	17,000,000	17,000,000	17,000,000	17,000,000
Emergency supplies and equipment	32,650,000	64,000,000	42,000,000	64,000,000	47,000,000
Surveys, plans, and research	10,000,000	14,500,000	10,000,000	14,500,000	10,000,000
Salaries and expenses, civil-defense functions of Federal agencies	[4] 1,500,000	6,000,000	1,540,000	6,000,000	4,000,000
Total, Federal Civil Defense Administration	68,675,000	123,200,000	86,100,000	123,200,000	93,560,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Disaster relief	28,500,000	----------	5,386,030	6,000,000	6,000,000
FEDERAL COMMUNICATIONS COMMISSION					
Salaries and expenses	7,323,000	7,850,000	7,800,000	7,828,000	7,828,000
FEDERAL POWER COMMISSION					
Salaries and expenses	4,900,000	5,250,000	5,200,000	5,250,000	5,225,000
FEDERAL TRADE COMMISSION					
Salaries and expenses	4,548,500	5,500,000	5,400,000	5,550,000	5,550,000
GENERAL ACCOUNTING OFFICE					
Salaries and expenses	33,481,000	34,581,000	34,000,000	34,000,000	34,000,000
GENERAL SERVICES ADMINISTRATION					
Operating expenses, Public Buildings Service	102,280,500	128,598,000	122,694,200	128,084,500	125,000,000
Repair, improvement, and equipment of federally owned buildings outside the District of Columbia	26,150,000	44,138,000	42,565,550	42,638,000	42,565,550
Sites and planning, purchase contract and public buildings projects	15,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Payments, public buildings purchase contracts	----------	237,000	237,000	237,000	237,000
Hospital facilities in the District of Columbia (liquidation of contract authorization)	9,700,000	5,300,000	5,300,000	5,300,000	5,300,000
Operating expenses, Federal Supply Service	3,395,000	4,028,000	[5] 2,809,400	[5] 2,959,400	[5] 2,884,400
Expenses, general supply fund	[6] 13,625,000	15,344,000	14,270,000	14,770,000	14,770,000
General supply fund	----------	10,000,000	10,000,000	10,000,000	10,000,000
Operating expenses, National Archives and Records Service	5,997,500	6,977,000	6,818,650	6,893,650	6,893,650
Survey of Government records, records management, and disposal practices	----------	200,000	----------	200,000	----------
Operating expenses, transportation and public utilities service	----------	1,407,000	1,251,100	1,251,100	1,251,100
Refunds under Renegotiation Act	4,000,000	----------	----------	----------	----------
Strategic and critical materials	521,500,000	[7]	[5] (3,000,000)	[5] (3,351,000)	[5] (3,175,500)
Abaca fiber program (administrative expenses)	(119,500)	(117,500)	(100,000)	(100,000)	(100,000)
Salaries and expenses, Office of Administrator	----------	395,000	395,000	395,000	395,000
Administrative operations fund	----------	(9,745,300)	(9,278,200)	(9,802,550)	(9,540,375)
Hospital facilities in the District of Columbia	1,610,000	----------	----------	----------	----------
Emergency operating expenses	11,865,000	----------	----------	----------	----------
U. S. Post Office and Courthouse, Nome, Alaska	1,100,000	----------	----------	----------	----------
Strategic and critical materials (liquidation of contract authorization)	27,400,000	----------	----------	----------	----------
Administrative operations	4,410,000	----------	----------	----------	----------
Total, General Services Administration	748,033,000	221,624,000	211,340,900	217,728,650	214,296,700
HOUSING AND HOME FINANCE AGENCY					
Office of the Administrator:					
Salaries and expenses	5,398,500	6,450,000	6,000,000	6,450,000	6,225,000
Urban planning grants	2,000,000	2,000,000	1,000,000	2,000,000	1,500,000
Statistics on housing demand	----------	175,000	----------	----------	----------
Reserve of planned public works (payment to revolving fund)	3,000,000	12,000,000	6,000,000	9,000,000	7,500,000
Capital grants for slum clearance and urban renewal	50,000,000	50,000,000	40,000,000	40,000,000	40,000,000
Total, Office of the Administrator	60,398,500	70,625,000	53,000,000	57,450,000	55,225,000

[1] Includes pay increases and other items in Second Supplemental Appropriation Act, 1956.
[2] Unobligated balances continued available.
[3] And transfer of $362,000 from "Emergency supplies and equipment."
[4] And transfer of $40,000 from "Emergency supplies and equipment."
[5] And $1,935,600 from funds derived from proceeds of surplus personal property disposal.
[6] And transfer of $450,000 from "Sites and planning," etc.
[7] Language only.
[8] Limitation and rescission of $199,349,000 of prior year appropriations.

Comparison of House and Senate action on independent offices appropriation bill, 1957—Continued

TITLE I—INDEPENDENT OFFICES—continued

Item	Appropriations, 1956	Budget estimates, 1957	Recommended in House bill for 1957	Amount recommended by Senate	Amount agreed to in conference
HOUSING AND HOME FINANCE AGENCY—continued					
Public Housing Administration:					
Administrative expenses	$9,636,500	$10,700,000	$9,700,000	$10,700,000	$10,500,000
Annual contributions	81,750,000	96,000,000	90,000,000	96,000,000	93,000,000
Total, Public Housing Administration	91,386,500	106,700,000	99,700,000	106,700,000	103,500,000
Total, Housing and Home Finance Agency	151,785,000	177,325,000	152,700,000	164,150,000	158,725,000
INTERSTATE COMMERCE COMMISSION					
Salaries and expenses		14,000,000	13,900,000	14,879,696	14,879,696
General expenses	11,107,000	[9]	[9]	[9]	
Railroad safety	1,035,000	[9]	[9]	[10] (1,230,178)	(1,230,178)
Locomotive inspection	754,000	[9]	[9]	[10] (849,500)	(849,500)
Total, Interstate Commerce Commission	12,896,000	14,000,000	13,900,000	14,879,696	14,879,696
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS					
Salaries and expenses	60,135,000	64,700,000	[11] 61,475,000	[12] 63,200,000	[12] 61,887,500
Construction and equipment	12,565,000	15,000,000	13,000,000	15,000,000	14,000,000
Total, National Advisory Committee for Aeronautics	72,700,000	79,700,000	74,475,000	78,200,000	75,887,500
NATIONAL CAPITAL HOUSING AUTHORITY					
Maintenance and operation of properties	38,400	39,000	37,000	39,000	38,000
NATIONAL SCIENCE FOUNDATION					
Salaries and expenses	16,000,000	41,300,000	35,915,000	41,300,000	40,000,000
International Geophysical Year	37,000,000				
Total, National Science Foundation	53,000,000	41,300,000	35,915,000	41,300,000	
NATIONAL SECURITY TRAINING COMMISSION					
Salaries and expenses	40,000	75,000		75,000	50,000
RENEGOTIATION BOARD					
Salaries and expenses	4,150,000	3,750,000	3,675,000	3,657,000	3,675,000
SECURITIES AND EXCHANGE COMMISSION					
Salaries and expenses	5,278,000	5,749,000	5,700,000	5,749,000	5,749,000
SELECTIVE SERVICE SYSTEM					
Salaries and expenses	[13] 27,216,000	29,050,000	28,442,000	29,050,000	29,050,000
VETERANS' ADMINISTRATION					
General operating expenses	167,502,000	164,436,000	162,118,260	163,936,000	163,027,130
Medical administration and miscellaneous operating expenses	16,049,600	16,453,000	16,099,600	20,773,800	20,773,800
Inpatient care	[14] 649,790,600	[15] 662,900,000	[15] 662,900,000	[15] 662,900,000	[15] 662,900,000
Outpatient care	85,971,200	82,638,000	82,638,000	82,638,000	82,638,000
Maintenance and operation of supply depots	1,628,000	1,671,000	1,628,000	1,628,000	1,628,000
Compensation and pensions	2,810,000,000	2,907,000,000	2,907,000,000	2,907,000,000	2,907,000,000
Readjustment benefits	812,097,000	775,000,000	775,000,000	775,000,000	775,000,000
Military and naval insurance	4,868,000	5,000,000	5,000,000	5,000,000	5,000,000
National service life insurance	81,300,000	23,200,000	23,200,000	23,200,000	23,200,000
Servicemen's indemnities	40,500,000	26,750,000	26,750,000	26,750,000	26,750,000
Grants to the Republic of the Philippines	2,500,000	2,000,000	2,000,000	2,000,000	2,000,000
Hospital and domiciliary facilities	30,000,000	47,000,000	50,935,000	51,635,000	51,635,000
Major alterations, improvements, and repairs	3,900,000	4,447,000	4,447,000	4,533,000	4,533,000
Service-disabled veterans insurance fund	750,000	1,000,000	1,000,000	1,000,000	1,000,000
Total, Veterans' Administration	4,706,856,400	4,719,495,000	4,720,715,860	4,727,993,800	4,727,084,930
Total, Title I	6,182,049,900	5,783,704,000	6,010,543,290	5,925,187,646	5,966,517,826

Rescission of prior year appropriations recommended in the bill:	
General Services Administration: Strategic and critical materials	−$199,349,000
Housing and Home Finance Agency: Public facility loans	−1,960,945
Total rescissions	−201,309,945

[9] Consolidated in above amount.
[10] Earmarked in bill.
[11] And not to exceed $600,000 of prior year funds continued available.
[12] And not to exceed $1,500,000 of prior year funds continued available.
[13] And $1,226,000 of prior year funds continued available.
[14] And in addition, $7,229,600 from reimbursements.
[15] And in addition, $7,216,900 from reimbursements.

TITLE II—CORPORATIONS

ADMINISTRATIVE EXPENSES

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authorizations, 1956 [1]	Budget estimates, 1957	Recommended in House bill for 1957	Amount recommended by Senate	Amount agreed to in conference
Federal Home Loan Bank Board	$978,400	$1,095,000	$978,400	$1,095,000	$1,036,700
Federal Savings and Loan Insurance Corporation	985,000	596,000	532,000	596,000	596,000
Housing and Home Finance Agency:					
College housing loans	706,300	1,100,000	1,100,000	1,100,000	1,100,000
Public facility loans	159,500	475,000	318,000	418,000	368,000
Public facility loans (RFC Liquidation Act)	40,000				
Revolving fund (liquidating programs)	2,788,000	2,310,000	2,000,000	2,310,000	2,165,000
Federal National Mortgage Association	3,950,000	4,000,000	3,700,000	3,850,000	3,775,000
Federal Housing Administration	6,692,500	7,150,000	6,900,000	6,900,000	6,900,000
Public Housing Administration	[2] (11,966,500)	[2] (12,800,000)	[2] (11,550,000)	[2] (12,800,000)	[2] (12,475,000)
Total, administrative expenses	16,299,700	16,726,000	15,528,400	16,269,000	15,940,700

[1] Includes pay increases in Second Supplemental Appropriation Act, 1956.
[2] Amount includes funds appropriated in title I and available from "Revolving fund (liquidating programs)." Duplication eliminated in totals.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until tomorrow at noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF MERCHANT MARINE ACT OF 1936

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2277, S. 2429.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2429) to amend section 212 of the Merchant Marine Act, 1936, to authorize research and experimental work with vessels, vessel propulsion and equipment, port facilities, planning, and operation, and cargo handling on ships and at ports.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MAGNUSON. Mr. President, the bill, which received the unanimous approval of the Interstate and Foreign Commerce Committee, authorizes research and experimental work on vessels, port facilities, and cargo handling.

Without taking the time of the Senate, I should merely like to say that the bill would give specific authority to the Maritime Administration, in collaboration with public and private interests concerned, to carry on research activities in the fields of ship design, propulsion, and equipment; of improvement of port facilities; and of all phases of passenger and cargo handling. In effect, the bill would authorize studies looking to reducing the time spent by vessels in port.

There is some obsolescence in the way cargoes are now handled by our merchant marine, and the bill would allow the Maritime Board and Administration to make the proper studies with a view to bringing about more efficient cargo handling.

It so happens that the average running ship in the American merchant marine spends 60 percent of its time in port, and 40 percent of its time at sea.

It is hoped that as a result of the studies there will be more efficient loading and unloading, better propulsion and equipment, and new designs which are necessary in order to keep our merchant marine modern.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2429) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 212 (c) of the Merchant Marine Act, 1936, as amended (46 U. S. C., sec. 1122), is amended by inserting at the end of subsection (c) two new paragraphs, to read as follows:

"In collaboration with public and private interests concerned, and in the interest of improved efficiency and economy, to conduct research and experiments, developmental, trial, and demonstration work with vessels, propelling machinery, cargo-handling and other vessel equipment, improvements, and facilities, and to prepare plans and designs for new and improved vessels, machinery, equipment, and facilities;

"In collaboration with public and private interests concerned, and in the interest of improved efficiency and economy in the transfer of cargo and passengers between vessels and shore-transportation faciilties in ports, to conduct research and experiments, to develop plans and designs, procedures, and equipment for the improvement of wharves, docks, piers, warehouses, and other port facilities used in the movement and handling of cargo, passengers, and other commerce in ports in connection with water transportation."

Mr. BUTLER subsequently said: Mr. President, I ask unanimous consent that a statement I have prepared on Senate bill 2429 be printed at the conclusion of the passage of that bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

This bill would give broad authority to the Maritime Administration to conduct experimental work and research on all phases of vessel design, construction and propulsion, as well as covering projects for modernization of cargo-handling equipment, docking facilities, etc. As the Maritime Administrator so well explained at the hearings on the bill, such research as this may afford many answers to the problems now facing the American merchant marine.

When I was in Europe last summer, attending the Atoms for Peace Conference, I could not help but note the progress that had been made there in modernizing docks and dock facilities. We must keep abreast of that overseas development and, if possible, exceed it, and I believe that the pending bill offers ample opportunity to do both.

FEDERAL AID IN WILDLIFE RESTORATION IN THE TERRITORY OF HAWAII

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2278, H. R. 5790.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5790) relating to the application in the Territory of Hawaii of the Federal Aid in Wildlife Restoration Act, and the Federal Aid in Fish Restoration Act.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the report on the bill, which was reported unanimously from the Committee on Interstate and Foreign Commerce.

There being no objection, the report (No. 2257) was ordered to be printed in the RECORD, as follows:

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (H. R. 5790) to amend the Federal Aid to Wildlife Restoration Act, as amended, and the Federal Aid in Fish Restoration Act, as amended, having considered the same, report favorable thereon and recommend that the bill do pass.

The purpose of the bill is to modify the provisions of the Federal Aid to Wildlife Restoration Act and the Federal Aid in Fish Restoration Act as they relate to the Territory of Hawaii, so as to place Hawaii on a parity with the several States in the distribution of Federal-aid funds under the formula and matching fund requirement as expressed in existing law, which, at present, does not apply to the Territories and possessions of the United States.

Section 8 (a) of the Federal Aid to Wildlife Restoration Act of September 2, 1937 (50 Stat. 917; 16 U. S. C., 1952 edition, sec. 669a) and section 12 of the Federal Aid in Fish Restoration Act of August 9, 1950 (64 Stat. 431; 16 U. S. C. 1952 edition, sec. 777a) each provide that the Territory of Hawaii receive a fixed annual amount "not to exceed $25,000.00" to accomplish the purposes expressed in the legislation. The present bill modifies such provisions and removes Hawaii from the "fixed" sums and places it on a parity with the several States.

Allocations to the several States are based upon a formula designed to give each State its equitable portion of Federal aid based upon its area and the number of hunters or fisherman purchasing licenses. The funds are allocated on the basis of one-half in the ratio which the area of each State bears to the total area of all the States, and one-half in the ratio which the number of paid license holders of each State bears to the total number of paid license holders of all the States. The funds are derived from the excise tax imposed on sporting arms and ammunition. In order that a State can become eligible for grants-in-aid, it must provide at least 25 percent of the funds needed for individual projects.

Hawaii, during the past 10 years, has made great strides in the wildlife and fish-restoration fields. In the former, it has established 14 public shooting areas, containing about 243,000 acres of land and conducted wildlife surveys and investigations gathering data urgently needed for management use. In the latter, it has conducted a study of the fresh-water goby and is conducting research on the ultimate restoration on the one valuable off-shore-reef fisheries, which have been severely overfished. Thus, placing Hawaii on a parity with the several States in the distribution of these grants-in-aid funds will enable it to undertake additional projects that are badly needed. Such equality of treatment will also result in imposing upon the Territory stricter matching requirements than now apply to it. Accordingly, this committee recommends that the bill do pass.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported are shown as follows (new matter is printed in italics, matter proposed to be omitted is in brackets, existing law in which no change is proposed is shown in roman):

"FEDERAL AID IN WILDLIFE RESTORATION ACT OF SEPTEMBER 2, 1937 (50 STAT. 917)

"SEC. 2. * * * the term 'State fish and game department' shall be construed to mean and include any department or division of department of another name, or commission, or official or officials, of a State empowered under its laws to exercise the functions ordinarily exercized by a State fish and game department[.]*; and the term 'State' shall be construed to mean and include the several States and the Territory of Hawaii.*

"SEC. 8. (a) The Secretary of the Interior is authorized to cooperate with the Alaska Game Commission, [the Division of Game and Fish of the Board of Commissioners of Agriculture and Forestry of Hawaii,] the Commissioner of Agriculture and Commerce

of Puerto Rico and the Governor of the Virgin Islands, in the conduct of wildlife-restoration projects, as defined in section 669a of this title, upon such terms and conditions as he shall deem fair, just, and equitable, and is authorized to apportion to said [Territories,] *Territory of Alaska,* Puerto Rico, and the Virgin Islands, out of money available for apportionment under sections 669–669j of this title, such sums as he shall determine, not exceeding $75,000 for Alaska, [not exceeding $25,000 for Hawaii,] and not exceeding $10,000 each for Puerto Rico and the Virgin Islands, in any one year, which apportionments, when made, shall be deducted before making the apportionments to the States provided for by said sections; but the Secretary shall in no event require any of said cooperating agencies to pay an amount which will exceed 25 per centum of the cost of any project. Any unexpended or unobligated balance of any apportionment made pursuant to this section shall be available for expenditure in the [Territories] *Territory of Alaska,* Puerto Rico, or the Virgin Islands, as the case may be, in the succeeding year, on any approved project, and if unexpended or unobligated at the end of such year is authorized to be made available for expenditure by the Secretary of the Interior in carrying out the provisions of the Migratory-Bird Conservation Act.

"FEDERAL AID IN FISH RESTORATION ACT OF AUGUST 9, 1950 (64 STAT. 431; 16 U. S. C., 1952 ED., SEC. 777A)

"SEC. 2. * * * the term "State fish and game department" shall be construed to mean and include any department or division of department of another name, or commission, or official or officials, of a State empowered under its laws to exercise the functions ordinarily exercised by a State fish and game department [.]*; and the term "State" shall be construed to mean and include the several States and the Territory of Hawaii.*

"SEC. 12. The Secretary of the Interior is authorized to cooperate with the Alaska Game Commission, [the Division of Game and Fish of the Board of Commissioners of Agriculture and Forestry of Hawaii,] the Commissioner of Agriculture and Commerce of Puerto Rico, and the Governor of the Virgin Islands, in the conduct of fish restoration and management projects, as defined in section 2 of this act, upon such terms and conditions as he shall deem fair, just, and equitable, and is authorized to apportion to said [Territories] *Territory of Alaska,* Puerto Rico, and the Virgin Islands, out of money available for apportionment under this act, such sums as he shall determine, not exceeding $75,000 for Alaska, [not exceeding $25,000 for Hawaii,] and not exceeding $10,000 each for Puerto Rico, and the Virgin Islands, in any one year, which apportionments, when made, shall be deducted before making the apportionments to the States provided for by this act; but the Secretary shall in no event require any of said cooperating agencies to pay an amount which will exceed 25 percent of the cost of any project. Any unexpended or unobligated balance of any apportionment made, pursuant to this section shall be available for expenditure in the [Territories] *Territory of Alaska,* Puerto Rico, or the Virgin Islands, as the case may be, in the succeeding year, on any approved project, and if unexpended or unobligated at the end of the year is authorized to be made available for expenditure by the Secretary of the Interior in carrying on the research program of the Fish and Wildlife Service in respect to fish of material value for sport recreation."

Mr. MAGNUSON. Mr. President, all the bill does is to modify the provisions of the Federal Aid To Wildlife Restoration Act so as to have it apply to Hawaii. The act does not now apply to Hawaii. The bill was passed by the House, and was reported unanimously by the Senate Committee on Interstate and Foreign Commerce.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 5790) was ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF PROTOTYPE CARGO SHIP AND CONVERSION OF LIBERTY SHIP

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2280, S. 3821.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3821) to authorize the construction of 2 prototype ships, and the conversion of 1 Liberty ship, by the Maritime Administration Department of Commerce.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 1, line 6, after the word "test", to strike out "two prototype merchant ships, one of the 'Freedom' class and one" and insert "one prototype merchant ship", so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be appropriated to the Department of Commerce, Maritime Administration, such sums as may be necessary, to remain available until expended, to construct, outfit, and test one prototype merchant ship of the "Clipper" class, as designed by the Maritime Administration, Department of Commerce, and to convert, outfit, and test one reserve fleet Liberty ship. Such construction and conversion outfitting and testing shall be subject to the provisions of the Merchant Marine Act, 1936, as amended.

Mr. MAGNUSON. Mr. President, this bill, which again received unanimous approval of the Interstate and Foreign Commerce Committee, is an authorization measure. It allows the construction of one prototype ship of a new type, and also the conversion of our present mothball fleet of Liberty ships. The Maritime Administration has some plans with respect to this matter. The Administration would construct the ships or do the experimental work in conjunction with shipyards and private operators. That would result, we hope, in a new type of ship, which the administration wants to have called the Freedom class—vessels of 8,770 deadweight tons. We hope it will be the type of ship which can replace the Liberty ships, which are now reaching obsolescence.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3821) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to authorize the construction of one prototype ship and the conversion of one Liberty ship, by the Maritime Administration, Department of Commerce."

Mr. BUTLER subsequently said: Mr. President, I ask unanimous consent to have a statement I have prepared on Senate bill 3821 printed at the conclusion of the passage of that bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

This bill would authorize the Maritime Administration to construct and operate a prototype merchant ship of the clipper class and to convert another Liberty ship of the reserve fleet to a more modern type of propulsion machinery. I think both projects are entirely worthy of all the support that can be given them. We have more than 1,000 Liberty ships on hand which are too slow to be economical and which are really suitable for use only in an extreme emergency. If we can step up the speed by one of the new types of powerplants, it will make them intensely more valuable both to our peacetime and wartime economy; and in my opinion, be one of the best returns for our money than can be received.

With regard to the prototype clipper ship, I think the Maritime Administration is to be congratulated on its farsightedness in designing this ship, which not only can be of great assistance to the American merchant marine but also will afford, ready at hand, an austerity type of ship for mass construction, in which our naval authorities already have expressed the deepest interest.

CONSTRUCTION OF NUCLEAR-POWERED PROTOTYPE MERCHANT SHIPS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2279, S. 2523; and I call my motion to the attention of the Senator from New Mexico [Mr. ANDERSON] and the Senator from Iowa [Mr. HICKENLOOPER].

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2523) to amend section 212 of the Merchant Marine Act, 1936, to authorize the construction of a nuclear-powered prototype merchant ship for operation in foreign commerce of the United States, to authorize research and experimental work with vessels, port facilities, planning, and operating and cargo handling on ships and at ports, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas to proceed to the consideration of the bill.

The motion was agreed to; and the Senate proceeded to consider the bill, which had gone through the following committee procedure:

On July 23, 1955, the bill had been reported without amendment from the Committee on Interstate and Foreign

Commerce; on July 30, 1955, it had been reported from the Joint Committee on Atomic Energy, with an amendment, to strike out all after the enacting clause, and insert:

That (a) in order to demonstrate to the peoples of the world the great peaceful use and potential of atomic energy and the humanitarian and industrial applications of such energy, the Atomic Energy Commission is authorized to construct an atomic energy propulsion facility, consisting of one or more reactors and auxiliary equipment, and to install such facility and equipment in a merchant vessel to be converted or constructed, and operated by the Secretary of Commerce for accomplishing the purposes of this act.

(b) On completion of such vessel, the Secretary of Commerce shall make suitable arrangements for such licenses as are required by the Atomic Energy Act of 1954, as amended, and, in consultation with the Atomic Energy Commission, for the display on such vessel, insofar as practicable, of the peaceful uses of atomic energy and for the training of qualified personnel. The Secretary of Commerce shall make such regulations and prescribe such fees as he deems necessary for the display of goods and wares of United States manufacture or origin. Such vessel may be equipped and utilized to generate electricity from atomic energy and, under such terms, rates, or conditions as the Secretary of Commerce may prescribe, may be utilized (1) to supply for demonstration or emergency purposes such electrical energy to the electric utility system of any port in which such vessel is a visitor, and (2) to transport cargo.

(c) No charge shall be made to any person visiting such vessel in the normal course of viewing the vessel or its exhibits while the vessel is operated by the Government.

(d) The itinerary of such vessel shall be determined by the Secretary of Commerce on direction of the President and, to the maximum extent consistent with the common defense and security and the health and safety of the public, the vessel and its contents shall be made freely accessible to public view.

(e) The name of such vessel shall be the U. S. S. *Atomic Enterprise*.

SEC. 2. For the purpose of developing the economic uses of nuclear transportation power in peaceful pursuits of domestic and foreign commerce, the Atomic Energy Commission, with the assistance of the Maritime Administration, is authorized to develop and construct an atomic energy propulsion facility and auxiliary equipment for adaptation to a surface vessel of such characteristics and design as will make it usable in the American merchant marine fleet. The Maritime Administration, with the assistance of the Atomic Energy Commission, is authorized to construct such vessel. Upon completion of such vessel, the Secretary of Commerce is authorized to arrange for its operation or charter in such manner as circumstances and the public interest then warrant.

SEC. 3. Except as otherwise determined by the Atomic Energy Commission, the development, construction and installation of the reactor propulsion facilities and auxiliary facilities herein authorized shall be so conducted as not to impair substantially the prosecution of other atomic energy research and development or construction projects of the Atomic Energy Commission.

SEC. 4. The Atomic Energy Commission and the Department of Commerce, Maritime Administration, are authorized to utilize such funds as may be presently available to them to accomplish the purposes of this act, and there are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act.

And to amend the title, so as to read: "A bill to authorize appropriations for the development, construction, and operation of two atomic energy propulsion facilities, and for other purposes."

On May 10, 1956, it was rereferred to the Committee on Interstate and Foreign Commerce; and on June 18, 1956, was reported from the Committee on Interstate and Foreign Commerce, with the following additional amendment:

To strike out all of the amendment of the Joint Committee on Atomic Energy and insert, in lieu thereof, the following:

"That section 212 (c) of the Merchant Marine Act, 1936, as amended (46 U. S. C., sec. 1122), is amended by inserting at the end of subsection (c) two new paragraphs to read as follows:

" 'That there is hereby authorized to be appropriated to the Department of Commerce, Maritime Administration, such sums as may be necessary, to remain available until expended, for the construction, outfitting, and preparation for operation, including training of qualified personnel, of a nuclear-powered prototype merchant ship capable of providing shipping services on routes essential for maintaining the flow of the foreign commerce of the United States. The Maritime Administration in carrying on activities and functions under this paragraph, may collaborate with and employ persons, firms, and corporations on a contract or fee basis for the performance of special services deemed necessary by the Administration in carrying on such activities and functions, and may, for the same purposes, with the approval of the Secretary of Commerce and where appropriate the Atomic Energy Commission, avail itself of the use of licenses, information, services, facilities, offices, and employees of any executive department, independent establishment, or other agency of the Government, including any field service thereof;

" 'In collaboration with public and private interests concerned, and in the interest of improved efficiency and economy in the transfer of cargo and passengers between vessels and shore transportation facilities in ports, to conduct research and experiments, to develop plans and designs, procedures, and equipment for the improvement of wharves, docks, piers, warehouses, and other port facilities used in the movement and handling of cargo, passengers, and other commerce in ports in connection with water transportation;'."

And to amend the title, so as to read: "A bill to amend section 212 of the Merchant Marine Act, 1936, to authorize the construction of a nuclear-powered prototype merchant ship for operation in foreign commerce of the United States, to authorize research and experimental work with vessels, port facilities, planning, and operating and cargo handling on ships and at ports, and for other purposes."

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute, as reported by the Joint Committee on Atomic Energy.

Mr. ANDERSON. Mr. President, will the Senator from Washington yield at this point?

Mr. MAGNUSON. I yield.

Mr. ANDERSON. The effect of the recommendation which has just been read is to strike out all except the original provisions of the bill which the Senator from Washington introduced, and which the Senator from Kentucky [Mr. CLEMENTS] and I joined in sponsoring. Is that correct?

Mr. MAGNUSON. That is correct.

Mr. HICKENLOOPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Iowa will state it.

Mr. HICKENLOOPER. It may be that some amendments to the language reported by the committee will be proposed. If the committee amendment is adopted, will amendments to it then be in order; or must such amendments be submitted and acted on prior to adoption of the committee amendment?

Mr. MAGNUSON. Mr. President, I hope the procedure followed will not prohibit the offering of amendments.

The PRESIDING OFFICER. Amendments to the amendment in the nature of a substitute, reported by the Joint Committee on Atomic Energy, are in order before a vote is taken on the amendment in the nature of a substitute.

Mr. HICKENLOOPER. Mr. President, I do not believe any amendment has been reported by the Joint Committee on Atomic Energy.

The PRESIDING OFFICER. The committee has reported an amendment in the nature of a complete substitute.

Mr. MAGNUSON. Mr. President, a similar bill, House bill 6243, is before the Committee on Interstate and Foreign Commerce. I shall ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from the further consideration of House bill 6243; that that bill be considered by the Senate; that all after the enacting clause of House bill 6243 be stricken out, and that there be inserted in lieu thereof, the text of Senate bill 2523. In other words, by that means we shall agree to the text of Senate bill 2523.

The Senate bill authorizes the Department of Commerce and the Maritime Administration to proceed with the construction of a nuclear-powered merchant ship. The bill relating to the so-called peace ship is still before the Joint Committee on Atomic Energy. That is the situation.

Mr. HICKENLOOPER. All I am trying to ascertain is the language to which we are addressing ourselves at this moment.

Mr. MAGNUSON. The language of the Senate bill.

Mr. HICKENLOOPER. I understand the provisions of the bill. But three separate reports have been made on Senate bill 2523, and we are confronted with three separate texts. I wish to know which one is before the Senate at this time.

The PRESIDING OFFICER. The Chair will attempt to state the parliamentary situation:

The bill was reported by the Committee on Interstate and Foreign Commerce without amendment. The bill was then referred to the Joint Committee on Atomic Energy. The Joint Committee on Atomic Energy then reported an amendment in the nature of a complete substitute for the bill.

The bill was then referred back to the Committee on Interstate and Foreign Commerce, and that committee reported a complete substitute for the amendment in the nature of a substitute which had been reported by the Joint Committee on Atomic Energy—which had the effect of restoring the original language of the bill.

The parliamentary situation is that the first vote will occur on the amendment in the nature of a substitute, as reported by the Joint Committee on Atomic Energy.

If that motion be rejected, the vote will then occur on the amendment reported by the Committee on Interstate and Foreign Commerce.

Mr. MAGNUSON. Mr. President, on page 5 of the bill the Senator from Iowa will see in italics the language reported by the Committee on Interstate and Foreign Commerce.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Mexico will state it.

Mr. ANDERSON. I think I know what the Senator from Iowa is trying to do, and I think he is completely correct. He wishes to be sure that if the Senate adopts the language of the original bill as a committee substitute, he will not be barred from offering amendments to it. If that is not the procedure, I should like to ask unanimous consent that we consider the bill as originally reported to the Senate.

The PRESIDING OFFICER. Let the Chair state that if any amendments are to be submitted to the amendment reported by the Joint Committee on Atomic Energy, they must be submitted and acted on before adoption of the amendment in the nature of a substitute, as reported by the Committee on Interstate and Foreign Commerce.

Mr. ANDERSON. But I call the attention of the Senate to the fact that nothing reported by the Joint Committee on Atomic Energy is before the Senate.

The PRESIDING OFFICER. An amendment in the nature of a complete substitute has been reported by the Joint Committee on Atomic Energy.

Mr. ANDERSON. It has been reported by the committee headed by the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. The bill has been reported twice by the Committee on Interstate and Foreign Commerce.

Mr. MAGNUSON. That is correct.

The PRESIDING OFFICER. In the intervening period the bill was reported once by the Joint Committee on Atomic Energy. In each case an amendment in the nature of a complete substitute was reported. The Chair has before him the report by the Joint Committee on Atomic Energy.

The parliamentary situation is that the first vote will be taken on the question of agreeing to the amendment in the nature of a substitute, reported by the Joint Committee on Atomic Energy, for the bill as originally reported by the Committee on Interstate and Foreign Commerce.

Mr. ANDERSON. I am willing to accept the ruling of the Chair. But the Joint Committee on Atomic Energy does not have any bill before the Senate. The Joint Committee joined in an effort to send the bill back to the Committee on Interstate and Foreign Commerce.

All I am trying to do is to request unanimous consent that the language now in the bill, namely, from line 20, on page 5, through to the end of page 7, shall be regarded as original text, and be open to any amendment which may be offered by any Senator.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Would it not clear up the legislative situation—if the suggestion may be made in keeping with the desires of the Senator from New Mexico, the Senator from Washington, and the Senator from Iowa—to have the amendment in the nature of a substitute, as reported by the Joint Committee on Atomic Energy, laid on the table. That would leave us with the bill reported the second time by the Committee on Interstate and Foreign Commerce. At that point, we could enter into a unanimous-consent agreement to consider that language as the original text of the bill; and then the Senator from Iowa could offer any amendments he might wish to offer.

Mr. MAGNUSON. Yes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, I may say to the distinguished chairman of the committee that in connection with any amendments I may wish to discuss, I have only one thought, namely, I am not opposed to the general principle of the bill as finally reported by the committee, except I have a very deep feeling that the nuclear elements in the ship should be constructed and built under the supervision of the Atomic Energy Commission, which is equipped to perform that function. I wish to speak to those matters at the proper time.

I do not think the Atomic Energy Commission has anything to do with building a ship; that is not its business. The Maritime Administration is the shipbuilding organization. My sole interest is to see whether we can provide that only the nuclear elements—such as the nuclear powerplant—which are specialized, and are strictly dependent upon atomic energy, shall be handled under the responsibility of the Atomic Energy Commission, which shall either build or shall supervise the construction of that particular phase of the operation. That is my sole interest in this matter. I am not opposing the Senator's bill or its principle.

Mr. MAGNUSON. I wish to say to the Senator from Iowa that the testimony before the committee, as received from both the Maritime Administration and the Atomic Energy Commission, was to the effect that the nuclear elements of the nuclear-propelled ship would be supervised by the Atomic Energy Commission.

In drafting the bill we were very careful to protect the rights of the Atomic Energy Commission to license or give out information, or in granting the Maritime Administration access to its files. The bill gives the Commission complete control and supervision in such matters. All the testimony on behalf of the Secretary of Commerce, and also the testimony by Admiral Strauss, himself, was that preliminary negotiations have already taken place between the Maritime Administration, the Secretary of Commerce, and the Atomic Energy Commission, and they have perfected a plan whereby they will work together.

Mr. HICKENLOOPER. That still does not reach what I believe to be fundamental in connection with this matter. There is a tendency on the part of every department of government to try to get into the atomic field. We can, if we permit it, dilute the technicians and experts in that field to such an extent as to be of disservice to the development of atomic energy.

The Atomic Energy Commission has the setup, the equipment, the proper organization, the know-how, and the experience; and I hope we shall be realistic about this matter.

So far as I am concerned, I think the Maritime Administration should build the ship and should draw up its design. But the responsibility for the nuclear powerplant should be vested in the Atomic Energy Commission.

Mr. MAGNUSON. I am not so familiar with the matter as is the Senator from Iowa. But my understanding is that the Maritime Administration could not possibly build the powerplant; that would have to be done under the supervision of the Atomic Energy Commission; and then, under license from the Atomic Energy Commission, it could be turned over to the Maritime Administration, to be installed in the hull of the ship.

Mr. BRICKER. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. BRICKER. I think the Senator is entirely correct about that. However, in view of the form in which the bill is drafted, I think that 1 or 2 amendments are necessary in order to correct the authorization set forth in the bill. Therefore, I believe that the bill should be corrected by the Joint Committee on Atomic Energy in such fashion as may be needed in order to conform to the desires of the Atomic Energy Commission regarding this matter. I think it essential that the powerplant be constructed by the Atomic Energy Commission. Thereafter, the licensing authority provided in the bill will take care of the operation of installing the powerplant in the hull of the ship.

In my judgment, the authorization contained in the bill should be drawn in such a way as to make a division between the authorization for construction of the ship and the authorization for construction of its powerplant.

Mr. MAGNUSON. I have no objection to having that done. The only reason the bill is before the Senate in its present form is that the Atomic Energy Commission, through its Chairman, Admiral Strauss, and other members of the Commission, approved this language, and said the Atomic Energy Commission would do the preliminary work under the liaison which now exists between the Department of Commerce and the Atomic Energy Commission; and the Commission unanimously approved the bill. So I have no objection to an amendment of the character suggested.

Mr. BRICKER. Mr. President, will the Senator further yield?

Mr. MAGNUSON. I yield.

Mr. BRICKER. All that is necessary is a technical amendment to authorize the Atomic Energy Commission to take its proper share of the appropriation, in order to do what we intend it shall do.

Mr. MAGNUSON. Will the Senator submit his amendment?

Mr. BRICKER. I think the Senator from New Mexico or the Senator from Iowa has such an amendment.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HICKENLOOPER. I have some language which I think will take care of the situation, but I should like to submit it to the Senator from Washington so that there may be agreement. I do not want the Atomic Energy Commission to get into shipbuilding, any more than I want the State Department to start building battleships.

Mr. MAGNUSON. I agree with the Senator. However, this language was approved by the Chairman of the Atomic Energy Commission.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. I arrived too late to join with the chairman of the Committee on Interstate and Foreign Commerce in connection with Senate bill 2429 and Senate bill 3821, as well as the bill under discussion. These are bills upon which the Appropriations Committee and the Committee on Interstate and Foreign Commerce have been working for the past 2 or 3 years. I am glad to see that action is being taken upon them. I hope the Senator from Washington and other Senators can reach a proper agreement with respect to the atomic energy ship. That is a very important prototype ship.

Mr. MAGNUSON. I thank the Senator.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. ANDERSON. I am only trying to clear up the legislative history, so that perhaps we shall not have to worry quite so much about the amendments.

I invite the attention of the chairman of the Committee on Interstate and Foreign Commerce to the fact that in the accompanying report the Committee on Interstate and Foreign Commerce recommends that the United States give No. 1 priority to the construction of a ship using the *Nautilus*-type reactor and having the characteristics outlined by Under Secretary of Commerce Rothschild, namely, that it be a vessel of 16,000 tons displacement, with a speed of 18 knots, and so forth.

The *Nautilus*-type reactor is not a commercially attractive type of reactor. If priority is to be given to that type, a vessel will be built which will have no real practical application in developing nuclear-powered merchant ships.

In that connection, I invite attention to the fact that in November the Maritime Administration invited proposals for the design, manufacture, installation, and test of a 20,000 shaft horsepower nuclear reactor and associated machinery for a 36,000-ton deadweight merchant tanker, for operation by June 30, 1959. It has since been explained that the estimated construction time for this type, after the date of the contract, would be between 36 and 40 months. Therefore the actual date would be somewhere near June 30, 1959. Invitations to bid on the project were sent to 25 companies. Last March the Maritime Administration announced that it had received fixed price bids from four firms for this project, namely, Babcock & Wilcox Co., Foster-Wheeler Corp., General Electric Co., and Ingalls Shipbuilding Co.

If it is to be a tanker rather than a dry cargo ship, the tonnage is 36,000, rather than 16,000 tons, and the estimated date of completion is about a year later than in the case of the demonstration plant.

I say we cannot do the two things simultaneously without additional authority. The language of the bill seems completely to override what the Maritime Administration has done, and to set aside the bids it has received. It is proposed to say, "We will not go ahead with what has been more or less agreed upon, and upon which the Maritime Administration is progressing."

I hope there may be some legislative declaration on the floor that the Maritime Administration is to proceed with the ship which is now under construction, of 36,000 dry tons, and an additional ship, if that is our desire. I think there should be some clarification at that point before we go further.

I shall be glad to deal with other questions if the chairman so desires. I invite attention to the following language in the report:

> The question therefore presents itself—should this be the exhibition-type proposed by the President, on a dry cargo vessel or an oil tanker?
>
> We would choose one of the latter two types because, first, the psychological effect on the people of the world would be as pronounced as it would be in the case of the exhibition ship, which relatively few people of other countries would ever see.

When reference is made to one of these types, is it to the first ship, or to a dry cargo vessel? From reading the report I cannot find out what is contemplated.

Mr. MAGNUSON. The Maritime Administration representatives testified that they desired to proceed with a merchant-type ship, and that they had also had some negotiations or discussions regarding a tanker-type ship. All parties concerned, including the Director of the Budget, Admiral Strauss, Chairman of the Atomic Energy Commission, and the reactor expert, Dr. Davis, agreed that they wanted this authorization to proceed with a merchant-type ship.

Mr. ANDERSON. And not the tanker?

Mr. MAGNUSON. Not the tanker.

Mr. ANDERSON. A merchant-type ship would not necessarily have a *Nautilus*-type reactor. A completely different design has been asked for. The report states that is should be a *Nautilus*-type reactor.

Mr. MAGNUSON. There is a year's difference in the construction time.

Mr. ANDERSON. Perhaps there is a year's difference, but I think probably it would be more accurate to say that the difference is 3 or 4 months. If the *Nautilus*-type reactor is desired, then it will not be a merchant-type ship which is contemplated. The chairman of the committee has just stated that it was a merchant-type ship that was wanted.

Mr. MAGNUSON. I am not so well informed as is the distinguished Senator from New Mexico, who is chairman of the very important Joint Committee on Atomic Energy. However, the testimony of the Maritime Administration, the Secretary of Commerce, and the Atomic Energy Commission itself was to the effect that whatever the type of reactor to be used, this authorization would allow them to continue the talks and planning which had been proceeding for the past few months.

Mr. ANDERSON. I should appreciate the attention of the Senator from Ohio and the Senator from Iowa. Is it the understanding of the chairman of the committee that if this bill is passed the Atomic Energy Commission will be fully empowered to select the type of powerplant to put into this vessel, the type which it thinks would be most desirable under all the circumstances?

Mr. MAGNUSON. Not only should the Commission have such authority, but I think it would be very unwise to proceed with any type of merchant ship unless the Commission had such authority, because the Commission would know what type of reactor to use.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BRICKER. That was the intention of the committee, and there was no dissent from that point of view. That is the reason why I think the amendments which the Senator from Iowa mentioned a moment ago, and which I fully support, should be made. The authorization should be contained in this bill. To that end, I have submitted to the chairman of the committee certain amendments which I think would carry out the intent.

Mr. MAGNUSON. Mr. President, if the Senator from New Mexico will allow me, I think I can clear up this question.

The suggested amendments are:

On page 6, line 4, after the words "Maritime Administration", to insert "and the Atomic Energy Commission."

On page 6, line 10, after the words "the Maritime Administration", to insert "and the Atomic Energy Commission."

On page 6, line 14, after the word "by", to strike out "the Administration" and insert "such agencies."

On page 6, line 15, after the word "functions", to insert a period, strike out the word "and" and insert "The Administration."

In line 25, after the word "ports", to insert "the Maritime Administration is authorized."

Mr. BRICKER. Those amendments would clear up the situation, except that I think the title should be amended to show that this is not an amendment of the Merchant Marine Act, but in the nature of an original bill.

Mr. MAGNUSON. I ask unanimous consent that the title be so amended.

Mr. BRICKER. In the last paragraph, provision should be made for an amendment to the title.

The PRESIDING OFFICER. The title will be amended after the passage of the bill.

Mr. ANDERSON. Mr. President, I point out to the chairman of the committee that this matter caused much discussion in the joint committee. The question is, Who is responsible for trying to design a ship? The decision is that the Maritime Administration shall have responsibility for designing the ship. I quite agree with the Senator from Iowa and the Senator from Ohio that the Maritime Administration should perform that function. The Atomic Energy Commission ought to deal with the powerplant. But the difficulty heretofore has been that the Maritime Commission wanted to build a merchant-type ship, and the Atomic Energy Commission did not approve proceeding with the construction of a second nuclear-propelled ship.

I suggest that if the language of the bill remains as it is, there might be a question as to who would build the ship—who would force it down the other fellow's throat. The two proposals are diametrically opposed.

Mr. BRICKER. The bill determines that fact. The bill provides for the building of a merchant ship.

Mr. ANDERSON. Yes.

Mr. BRICKER. The bill provides that the Atomic Energy Commission shall fit into the ship a powerplant. It will have to be a powerplant which will fit within the dimensions of the ship. The two functions are separated. The Maritime Administration has no business building an atomic reactor, and the Atomic Energy Commission has no business building a ship. The determination of the type of ship to be built is already made in the bill itself. That question is solved. There is no difference of opinion as to what kind of ship shall be built.

Mr. ANDERSON. I believe this discussion is very useful. The Senator from Ohio and I are not apart in this matter. It so happens that after a year and a half of steady pleading with the Atomic Energy Commission, the only proposal the Commission has to make is for the building of a floating playhouse.

Mr. MAGNUSON. That is not provided in the bill.

Mr. ANDERSON. It may not be provided in the bill——

Mr. MAGNUSON. That is out, so far as the bill is concerned.

Mr. ANDERSON. It may be out so far as the bill is concerned, but it is not out of the minds of the Atomic Energy Commission. I have pleaded with the Atomic Energy Commission to submit a recommendation which is something other than a recommendation for the building of a floating playhouse. They have declined to do so. It must be that the playhouse idea is still in their minds. I should like to have the Commission make a proposal which will not be for a vessel which will end up as a playhouse. I believe it would be a mistake to leave this possibility open. The Maritime Commission should have responsibility for designing the ship, and the Atomic Energy Commission the responsibility for the design and the construction of the reactor. If that were clearly provided, I would have no objection.

Mr. BRICKER. That is exactly what this bill would do.

Mr. MAGNUSON. That is what I thought the bill would do.

Mr. BRICKER. The bill provides:

That there is hereby authorized to be appropriated to the Department of Commerce, Maritime Administration, and the Atomic Energy Commission, such sums as may be necessary, to remain available until expended, for the construction, outfitting, and preparation for operation, including training of qualified personnel, of a nuclear-powered prototype merchant ship capable of providing shipping services on routes essential for maintaining the flow of the foreign commerce of the United States. The Maritime Administration, and the Atomic Energy Commission, in carrying on activities and functions under this paragraph, may collaborate with and employ persons, firms, and corporations—

And so forth. Therefore, I say the type of ship is determined by the bill. It is to be a merchant ship. It is to be a "nuclear-powered prototype merchant ship capable of providing shipping services on routes essential to maintaining the flow of the foreign commerce of the United States."

The reactor, of course, would depend on the proportions of the ship.

Mr. MAGNUSON. Admiral Strauss testified that he wanted to proceed with it, and that it was a worthwhile undertaking.

Mr. BRICKER. The controversy over the showboat is not before us. It constitutes no objection to the pending bill.

Mr. MAGNUSON. It was not discussed at all.

Mr. BRICKER. No.

Mr. ANDERSON. I believe the statement made by the Senator from Ohio and the statement made by the Senator from Washington are extremely helpful in setting forth clearly the legislative intent. I agree with the statements as to the legislative intent. If the amendment is so drawn as to clearly carry out that legislative intent, I have no objection. On the contrary, I believe we will be making real progress.

I agree with what the Senator from Ohio has stated as to what the purpose is to be. Because of his position on the committee and because of the position of the able chairman of the committee, I believe what has been said here establishes sufficient legislative history for me. If the amendments do not go beyond that, I have no objection.

Mr. MAGNUSON. I should like to have printed in the RECORD at this point the testimony of the chairman of the Atomic Energy Committee when he appeared before the committee on behalf of the bill.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF LEWIS L. STRAUSS, CHAIRMAN, ATOMIC ENERGY COMMISSION

Mr. STRAUSS. We appreciate the opportunity to testify before your committee today to present the Atomic Energy Commission's position concerning the application and development of nuclear power for the propulsion of merchant vessels. I would first like to express the Commission's views on what we conceive to be an appropriate merchant-ship program after which I will discuss the particular bills before your committee in the light of our views as to the appropriate program.

We feel that it is highly desirable to proceed as rapidly as possible to construct a vessel to demonstrate peaceful nuclear surface propulsion. Such a vessel will afford the United States the opportunity to demonstrate convincingly and appealingly the practical application of atomic power to propel a surface ship and make clear our intention to pursue with vigor the peaceful applications of atomic energy to nuclear surface propulsion.

The President in a letter to Representative JAMES T. PATTERSON, of Connecticut, last July stated the desirability of such a vessel, if you will permit me, I would like to quote from that letter:

"The world, by and large, now looks at atomic science as a destructive force, and of primary importance only to two great world centers—Washington and Moscow. We for our part simply must demonstrate convincingly to the world, in as many ways as we can, and to as many people as we can, that we are utilizing atomic science to improve the lot of man. Our pursuits in this field are in fact paving the way to the betterment of human welfare everywhere.

"The atoms-for-peace ship would dramatize these efforts all over the world. It would help generate a moral force to turn atomic energy more and more into peaceful uses and away from destructive channels. I conceive of it as an important step in our progress toward peace."

In his 1957 budget message the President reiterated his interest in a ship to demonstrate peaceful nuclear surface propulsion, stating that "work on this ship should go forward as rapidly as possible."

As you may know, other countries are believed to have undertaken programs to adapt nuclear energy to the propulsion of surface ships.

The CHAIRMAN. I might just interrupt right there. I have that clipping. And, I also have a clipping which I brought from home from the Seattle Times of February—in February in which the Russians announced an atomic icebreaker.

Mr. STRAUSS. I do refer to that later. This statement was prepared after we had that information but before the other——

The CHAIRMAN. Yes. All right.

Mr. STRAUSS. While these programs, to our knowledge, may not have yet progressed to the construction phase, the intention of a number of countries is clear and certainly in the not too distant future such countries will employ this energy source to propel their surface vessels. Of some significance are announcements from the Soviet Union of its plans for the construction of an icebreaker which will employ a nuclear propulsion plant.

The Atomic Energy Commission and the Maritime Administration are in a position to proceed immediately with the construction of a ship to demonstrate peaceful nuclear surface propulsion. The urgency of earliest possible completion of such a ship requires the utilization of a proven reactor system presently capable of rapid assembly. In light of this, we feel that the optimum solution is a powerplant based on the reactor system similar to that installed in the *Nautilus*. The estimated completion of this project is 27 to 30 months from the time Congressional authorization is received. If action is taken during the present session of Congress, the United States could launch a nuclear powered vessel early in 1959. We believe we can obtain from industry fixed price proposals for the major portion of the reactor work.

And, since that sentence was dictated, we have, as a matter of fact, assurances, and we will later produce it, if you require it.

General agreement has been reached between the Atomic Enregy Commission and the Maritime Administration with respect to the areas of responsibility to be assumed by each agency. The Commission would assume responsibility for and direct the development, design, and construction of the nuclear power source. The Maritime Administration would be responsible for converting or constructing and operating the surface vessel. This would be the same type of arrangement that the Commission has worked out with the Department of Defense in regard to certain propulsion units of joint interest. Such an arrangement avoids duplication of facilities and competition for the already scarce technical personnel between agencies of the Federal Government.

Looking beyond the ship proposed by the President, the Commission is firmly convinced that further effort should be made toward developing competitive commercial propulsion. While the ship we have been discussing will not provide competitive propulsion, it will add measurably to our know-how and skills and thus create a base from which to undertake construction of ships of more advanced design. Further, it will provide opportunity for training and equipping a greater segment of our industry for the future, thereby hastening our progress on advanced vessels. The Commission believes that the initiation of construction of a second nuclear-powered merchant ship should be predicated upon the ability to take a significant technological step and should not prejudice the prompt building of the ship that we need to complete at the earliest possible date. We would envisage a period of study during which time full advantage would be taken of all available research and development. These studies would be followed by a period of development of the most promising approaches and aimed at the availability of a significantly improved propulsion system both from a technical and economic standpoint at an early date.

At the present time the AEC and Maritime Administration are undertaking the joint support of feasibility and design studies for this purpose. We are prepared to continue to work closely together to provide to the merchant marine the most advanced nuclear propulsion system our technology can produce for this application.

In light of the Commission's position that I have just attempted to set forth, I would like to comment on two of the bills being considered by your committee. The Commission is in favor of S. 2523 as reported out by the Joint Committee on Atomic Energy and referred to your committee several weeks ago. This bill, we believe, fulfills the Nation's need at this time to progress with the application and development of atomic energy for the propulsion of surface vessels. This bill properly spells out the responsibilities of the AEC and Maritime Administration for the two projects to be authorized.

We understand that S. 2523, as originally introduced, and H. R. 6243, were not intended to apply to the project requested by the President for the expeditious construction of a nuclear-powered merchant ship in order to demonstrate peaceful nuclear surface propulsion. We agree with what appears to be the basic objectives of these bills—accelerating the development of practical and economical power for merchant ships.

We believe, however, that a significantly improved reactor system will evolve most quickly as a result of a carefully planned well-integrated development program extending over a period of several years. The demonstration ship, on the other hand, is essentially an adaptation of proven technology with primary emphasis upon immediate construction. In our minds, therefore, the two programs do not compete nor in fact should one adversely affect or impede the other. If you do not authorize us to proceed with the demonstration vessel, the United States may have to concede to some other nation the first achievement of peaceful nuclear power for merchant ships.

H. R. 6243 would appear to place responsibility for development of a nuclear propulsion unit in the Maritime Administration. The Commission feels that development work on this nuclear propulsion unit should be performed under the supervision of the AEC to minimize competition with and assure proper coordination with other nuclear research and development being performed by the Commission, and in particular other nuclear propulsion development. For this reason, the Commission feels that the delineation of responsibilities in S. 2523, as reported out by the Joint Committee on Atomic Energy is preferable to that contained in H. R. 6243.

We assume that the provision in H. R. 6243 which would authorize the Maritime Administration to "avail itself of the use of licenses, information, services, facilities, offices, and employees" of any other Federal agency is not intended to affect the licensing authority of the Commission, or its discretion in providing assistance requested by the Maritime Administration in the light of the overall requirements of the Commission's programs. If our assumption is incorrect, we believe that the provision should be amended to make it entirely clear that the Commission's authority in these respects is unaffected by the provision.

We have been advised by the Bureau of the Budget that S. 2523, as reported out by the Joint Committee on Atomic Energy, is in accord with the program of the President.

Mr. STRAUSS. That, Mr. Chairman, is the end of the prepared statement.

We would like to attempt to answer any questions that may arise in your mind.

The CHAIRMAN. Well, No. 1: I am sure that I speak for at least myself as author of the bill, that there was no intent to affect the licensing authority of the Commission. If we need further language in the bill to spell that out much more clearly, why, we will be glad to accept it and put it in.

Now, Admiral, of course, there is before us only the bill, the House and the Senate bill, which merely in itself authorizes the construction of a nuclear powered prototype merchant ship for operation in foreign commerce.

The matter of how the ship would be used or the two ships in this particular case, would be a matter of policy that Congress would have to determine itself. I guess you would agree with me that if we do authorize this, that then the ship, or the two ships, could be used in any way that it was determined.

And I presume you further agree with the committee that regardless of this controversy over whether we should have a so-called peace ship of that term, or as spelled out in S. 2523, that we ought to go ahead regardless, and then determine what we are going to do.

Mr. STRAUSS. I most emphatically agree with that, Mr. Chairman.

It seems to me that since the first ship, the most expeditious job cannot be completed from 27 to 30 months, which is over 2 years in any case, that to attempt to spell out now the precise method in which it is going to be used would be premature. And the main purpose that I have in coming before you is to get a nuclear propelled surface ship of merchant type built as quickly as possible, and before anybody else can do it.

That is the thing in a nutshell.

The CHAIRMAN. The committee has had several discussions, as well as the Joint Committee on Atomic Energy, and I think the only difference of opinion arises as to which one we should go ahead with first.

I think that the majority of opinion was that we should go ahead with the merchant ship, the commercial merchant ship, first. But I think we must agree regardless of that controversey that we have got to go ahead anyway with the beginning ship.

Mr. STRAUSS. I was hoping you would agree.

The CHAIRMAN. Yes. And that can be evolved as we proceed. Because I would think that the beginning, regardless of how the ship would be used for joint or the two purposes, the basic thing has to be constructed, regardless of that.

Mr. STRAUSS. That is right.

The CHAIRMAN. Now, the Joint Committee on Atomic Energy, through their chairman, also have this statement in their summary. And I might ask your comment on this. And I quote from Senator ANDERSON's statement to the committee here:

"It would appear on the basis of technical information furnished us to date that our first step should be to design and construct a nuclear-powered oil tanker."

They specify the type of merchant ship in this particular case. Has the Commission any comments to make on that?

Mr. STRAUSS. I would say this, Mr. Chairman: that any complication in this construction beyond that which has been recommended by the Maritime Administration for haul, and the Commission for propulsion machinery, will operate to delay the completion of the job.

Since this will not be an economic operation in any case——

The CHAIRMAN. Well, I must agree with you there.

I do not care whether it be a tanker or merchant ship or this other so-called type of ship, that in the beginning it is an experiment to prove that we might make it economic.

But the first ship could not be economical.

Mr. STRAUSS. The only requirement that I would put on it, were I sitting as a Member of the Senate or House, would be: it should be the kind of vessel which can be the most rapidly produced to operate successfully.

I hope that will be the stipulation.

The CHAIRMAN. Yes. I see.

Of course, it may be as they move along that Congress may decide that this could be a specific type of ship as you move along. But we have got to get going.

Well, I have no further questions. I think you have cleared up the fact that both the Commission and the Maritime Administration have been doing a great deal of preliminary work on this.

Mr. STRAUSS. Yes, sir. Secretary Rothschild is here, and he will speak for his own agency.

I would like to express thanks to you for permitting me to go on as the first witness.

The CHAIRMAN. Would you venture a guess on the cost of a merchant ship?

Mr. STRAUSS. We have some overall estimates, Mr. Chairman.

Since it has been a matter of months that I have reviewed them, I would like to refresh my memory by calling on, with your permission, Dr. Davis, who is here and whom I have identified as the Director of the Reactor Division.

What is the figure for the reactor and propulsion machinery, Dr. Davis?

Dr. DAVIS. Well, the estimate that we had and used last year was $21 million for the propulsion plant and $3,500,000 for the core, which represents the first batch of fuel which would go into such a ship.

And the Maritime Administration has also estimated the cost of the ship into which this would go. So our total estimate is on the order of $37 million for the propulsion plant and for the ship.

The CHAIRMAN. Thirty-seven million dollars?

Dr. DAVIS. Yes, sir.

The CHAIRMAN. There are several members of the committee who might want to ask some questions as to whether on this controversy you should have a peace ship or a merchant ship. But I do not think the

Atomic Energy Commission should be burdened with that.

That is a matter of policy, I think, that Congress should determine.

Mr. STRAUSS. Further, Mr. Chairman, it seems to me a matter which could very well be determined if it were controversial at a later date without running the risk of arresting this development so that we would run the risk of Congress adjourning without this authorization.

The CHAIRMAN. Yes.

Now, in that case, let me ask this: if this bill was passed before Congress adjourned, then you would proceed with the Maritime Administration on the basic construction. Then Congress, if it should, say, come January or April make a definite determination on what should be done on this matter—they may make it in the report on this bill—which I would hope they would—but that would not seriously hamper the situation even if we did, say, 6 months from now say, "Well, we want this ship, say, to be a tanker." Use that example.

Mr. STRAUSS. It would not affect us in the Atomic Energy Commission.

The CHAIRMAN. It might affect the design.

Mr. STRAUSS. I will have to ask you to direct that specific question to Mr. Rothschild as to whether it would handicap him on that.

The CHAIRMAN. All right.

Mr. STRAUSS. I could say emphatically that we would go ahead with the reactor and with the propulsion machinery at once under those circumstances.

The CHAIRMAN. And that there could be, as you move along, a change toward the ultimate use of the ship?

Mr. STRAUSS. That is right, assuming no change in shaft horsepower and other physical requirements.

The CHAIRMAN. Which would be technical matters that the Maritime technicians and engineers would have to work out?

Mr. STRAUSS. That I cannot answer.

The CHAIRMAN. Yes.

Well, thank you, Admiral Strauss. We appreciate your coming here.

I have no further questions.

Mr. ANDERSON. Mr. President, may we have the proposed amendments read again?

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read the amendments, as follows:

That section 212 (c) of the Merchant Marine Act, 1936, as amended (46 U. S. C., sec. 1122), is amended by inserting at the end of subsection (c) two new paragraphs to read as follows:

"That there is hereby authorized to be appropriated to the Department of Commerce, Maritime Administration, and the Atomic Energy Commission, such sums as may be necessary, to remain available until expended, for the construction, outfitting, and preparation for operation, including training of qualified personnel, of a nuclear-powered prototype merchant ship capable of providing shipping services on routes essential for maintaining the flow of the foreign commerce of the United States. The Maritime Administration, and the Atomic Energy Commission, in carrying on activities and functions under this paragraph, may collaborate with and employ persons, firms, and corporations on a contract or fee basis for the performance of special services deemed necessary by such agencies in carrying on such activities and functions. The administration may, for the same purposes, with the approval of the Secretary of Commerce and where appropriate the Atomic Energy Commission, avail itself of the use of licenses, information, services, facilities, offices, and employees of any executive department, independent establishment, or other agency of the Government, including any field service thereof.

"In collaboration with public and private interests concerned, and in the interest of improved efficiency and economy in the transfer of cargo and passengers between vessels and shore transportation facilities in ports, the Maritime Administration is authorized to conduct research and experiments, to develop plans and designs, procedures, and equipment for the improvement of wharves, docks, piers, warehouses, and other port facilities used in the movement and handling of cargo, passengers, and other commerce in ports in connection with water transportation."

Mr. ANDERSON. I make the same observation I made a while ago, that these are the original amendments which were proposed to the bill by the Atomic Energy Commission more than a year ago. I suggest to the Senator that, if he will read the language of the amendments, he will see that it is the same language that came to our committee more than a year ago.

Mr. BRICKER. The situation this year is different. The provisions this year will limit the ship to a prototype merchant ship. The question as to what type of ship it is to be is determined by the bill. There is no question about what kind of ship it is to be.

Mr. HICKENLOOPER. I may say, in support of what the Senator from Ohio has stated, and I hope in reassurance to the Senator from New Mexico, that I do not believe there is any question about the ship now. The ship to be built is to be a merchant ship; the bill specifically so limits it. The Atomic Energy Commission will have the responsibility of building the powerplant, not for building the ship, or influencing the design of the ship, except that there may be certain collaboration and cooperation in determining how the plant is to fit into a particular hull.

I may say that I am not very strongly in favor of a bill of this kind; but I will go along with it. I think it is well to get an atomic powered ship on the ocean. I believe, however, that we would gain tremendously, comparatively speaking, by putting a so-called showboat, or whatever the Senator from New Mexico may call it, type of ship on the ocean as an exhibit ship and send it around the world, instead of building merely a merchant transport hull-type of ship. However, a so-called showboat is not in good favor, apparently, and I will not press that point at this moment. I merely say that I am less enthusiastic for the merchant type of ship.

Furthermore, Mr. President, let us not delude ourselves that this will be a competitively and economically sound ship when it comes into operation. We should not attempt to delude anyone about that.

Mr. MAGNUSON. It is not expected to be.

Mr. HICKENLOOPER. I say that so that the record will be clear. Therefore, if we are going to build and put on the ocean a ship which is unsound from a competitive and economic standpoint, we ought to build one which will be able to demonstrate many phases of atomic energy.

I am pointing that out so that there will be no question about it, and because I prefer the other type ship. However, I will go along with the proposal, because I believe it to be important to get a ship of this type into operation.

Mr. ANDERSON. The statement made by the former chairman of the Joint Committee on Atomic Energy, the Senator from Iowa [Mr. HICKENLOOPER], is extremely helpful, as I believe are also the observations of the able Senator from Ohio and the able Senator from Washington [Mr. MAGNUSON]. They are all very helpful. With those statements in the RECORD, I do not believe I will have any objection to the language which is proposed by way of amendment to the bill.

The Senator from Washington a moment ago suggested there was a House bill pending and that the bill pending before the Senate would go to conference with the House. Is that correct? Does the Senator know whether the language of the House bill is identical with the language of the Senate bill?

Mr. MAGNUSON. No, I do not. I have the House bill here, I may say to the Senator from New Mexico.

Mr. ANDERSON. I ask that question because if the language is not identical, and if the two bills will be in conference, there is a possibility of being absolutely sure about the final language.

Mr. MAGNUSON. The language in the House bill is not exactly the same, but it is very specific that the ship is to be a merchant type of ship.

Mr. HICKENLOOPER. Does the Senator from New Mexico propose that we substitute in the House bill the language contained in the Senate bill as perfected?

Mr. ANDERSON. Yes; I do. In that way, there would be a conference on the bill.

Mr. HICKENLOOPER. In other words, we would substitute the language of the Senate bill for that of the House bill.

Mr. ANDERSON. Yes. In that way the bill would go to conference.

Mr. HICKENLOOPER. Yes. I believe the difficulties could be ironed out in that way.

Mr. ANDERSON. Otherwise, if the two bills were identical, there would be nothing for a committee of conference to consider.

Mr. MAGNUSON. They are not identical.

Mr. ANDERSON. When the bill went to conference, there could be a discussion of whether the *Nautilus* type of reaction should be used, for example—and that type of reactor obviously does not contribute to the art at all—or whether it would be possible by substitute language to provide that another type of reactor should be used.

Mr. MAGNUSON. So far as I am concerned, I would be willing that that be done.

Mr. ANDERSON. I am merely trying to make legislative history in the event the conferees desired to deal with this question. In other words, does not the Senator believe that the conferees would be free to deal with the matter?

Mr. MAGNUSON. They would be free to deal with it; yes.

Mr. ANDERSON. On that basis, I have no objection to the amendments which have been proposed. I am anxious, as I say, as is the Senator from Ohio, to have some sort of bill enacted. On that basis, and with the statements made by the Senator from Ohio and the Senator from Iowa, I suggest that the amendments be adopted and that the bill be quickly passed.

Mr. MAGNUSON. I merely wish to say again, in order to make the legislative history clear, that on June 6 the committee received a statement from the Chairman of the Atomic Energy Commission, in which he pointed out the Commission's position concerning the development of nuclear power for the propulsion of a merchant vessel. He makes it clear that that is what they were talking about. They, of course, would like to proceed with the other ship about which we have been speaking, but it is not provided for in this bill and is another matter.

Mr. ANDERSON. I assume that is what the committee referred to on page 4 of its report.

Mr. MAGNUSON. Yes.

Mr. ANDERSON. Mr. President, I think the amendments are satisfactory.

The PRESIDING OFFICER. Without objection, the committee amendment, as amended, is agreed to.

The bill is open to further amendment.

Mr. MAGNUSON. Mr. President, I move that the Committee on Interstate and Foreign Commerce be discharged from the further consideration of H. R. 6243, that the Senate proceed to the consideration of the House bill, that all after the enacting clause of the House be stricken and the language of the Senate bill, as amended, be substituted therefor, and that following the passage of the House bill the Senate bill be indefinitely postponed.

Mr. KNOWLAND. Mr. President, is the motion to strike out all the language of the House bill after the enacting clause, and to substitute the language of the Senate bill as amended?

Mr. MAGNUSON. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6243) authorizing the construction of nuclear-powered merchant ship to promote the peacetime application of atomic energy, and for other purposes.

Mr. MAGNUSON. Mr. President, I move that all after the enacting clause be stricken, and that the language of the Senate bill, as amended, be substituted therefor.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6243) was read the third time and passed.

The title was amended, so as to read: "A bill to amend section 212 of the Merchant Marine Act, 1936, to authorize the construction of a nuclear-powered prototype merchant ship for operation in foreign commerce of the United States, to authorize research and experimental work with vessels, port facilities, planning, and operating and cargo handling on ships and at ports, and for other purposes."

The PRESIDING OFFICER. The Senate bill will be indefinitely postponed.

Mr. BUTLER subsequently said: Mr. President, I ask unanimous consent to have printed after the passage of House bill 6243, a statement I have prepared on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

As a stanch supporter of the American merchant marine, I have been interested in the possibilities of an atomic-powered merchant ship from the earliest suggestions of the feasibility of such a vessel. With Senator SALTONSTALL I cosponsored S. 2005, to build a nuclear-powered merchant ship. I also was strongly in support of the President's proposed nuclear demonstration ship which was designed to show to the peoples of other countries the interest of this country in the development of nuclear power for peaceful purposes.

However, the committee, in its wisdom, has considered the necessities of the shipping industry to be such that they have reported out the bill favoring construction first of a nuclear-powered merchant ship for use in the foreign commerce of the United States. Having been a vigorous proponent of an adequate merchant marine and realizing the need for upgrading our shipping to the greatest possible extent to meet the ever-increasing foreign competition, I must lend my heartiest support to the proposals for immediate construction of this atomic merchant ship.

During the next 10 years, the shipping interests of the Nation must replace almost 100 percent their present commercial fleet. If we can develop enough experience and know-how in the field of atomic propulsion of vessels, it is entirely possible that our merchant ship replacements may take advantage of this newest and most extraordinary form of energy and once again step out to the forefront of the shipping nations of the world.

TRANSMISSION TO UNITED NATIONS OF INFORMATION CONCERNING THE TERRITORIES OF ALASKA AND HAWAII

Mr. KNOWLAND. Mr. President, the United Nations Charter, chapter XI, article 73, provides:

Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present charter, the well-being of the inhabitants of these territories, and to this end—

And then follow subsections (a), (b), (c), (d), and (e).

I ask unanimous consent that article 73 in its entirety be printed in the RECORD at this point in my remarks.

There being no objection, article 73 of the United Nations Charter was ordered to be printed in the RECORD, as follows:

CHAPTER XI

DECLARATION REGARDING NON-SELF-GOVERNING TERRITORIES

Article 73

Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present charter, the well-being of the inhabitants of these territories, and, to this end:

(a) to insure, with due respect for the culture of the peoples concerned, their political, economic, social, and educational advancement, their just treatment, and their protection against abuses;

(b) to develop self-government, to take due account of the political aspirations of the peoples, and to assist them in the progressive development of their free political institutions, according to the particular circumstances of each territory and its peoples and their varying stages of advancement;

(c) to further international peace and security;

(d) to promote constructive measures of development, to encourage research, and to cooperate with one another and, when and where appropriate, with specialized international bodies with a view to the practical achievement of the social, economic, and scientific purposes set forth in this article; and

(e) to transmit regularly to the Secretary-General for information purposes, subject to such limitation as security and constitutional considerations may require, statistical and other information of a technical nature relating to economic, social, and educational conditions in the territories for which they are respectively responsible other than those territories to which chapters XII and XIII apply.

Mr. President, I was quite surprised to learn that since the year 1946 the Government of the United States has been filing reports to the United Nations relative to the Territories of Alaska and Hawaii, and I sought some additional information from the State Department. I ask unanimous consent that there be printed in the RECORD as a part of my remarks a list of the various types of dependencies and territories for which the several nations belonging to the United Nations presently file reports. It is dated June 11, 1956.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Australia: Papua.

Belgium: Belgian Congo.

France: French Equatorial Africa, French Somaliland, Comoro, Madagascar, French West Africa. Morocco, Tunis, last reported on in 1954.

Netherlands: Netherlands New Guinea.

New Zealand: Tokelau Islands, Cook Islands, Niue Island.

United Kingdom: Northern Rhodesia, Nyasaland, British Somaliland, Bechuanaland, Kenya, Uganda, Zanzibar, Basutoland, Swaziland, Mauritius, Seychelles, Gambia,

Gold Coast, Nigeria, Sierra Leone, Cyprus, Gibraltar, Bahamas, Barbados, Bermuda, British Guiana, British Honduras, Jamaica, Leeward Islands, Trinidad and Tobago, Windward Islands, Brunei, Federation of Malaya, Hong Kong, North Borneo, Sarawak, Singapore, Fiji, Gilbert and Ellice Islands, New Hebrides (condominium with France), Pitcairn Island, Solomon Islands, Aden colony and protectorate, Falkland Islands, St. Helena.

United States: Alaska, American Samoa, Guam, Hawaii, Virgin Islands of the United States.

Mr. KNOWLAND. Mr. President, yesterday I addressed a letter to the Secretary of State, the Honorable John Foster Dulles, which reads as follows:

JUNE 19, 1956.

The Honorable JOHN FOSTER DULLES,
Secretary of State,
Department of State,
Washington, D. C.

DEAR MR. SECRETARY: Enclosed is a copy of a letter I have written to Assistant Secretary of State Francis O. Wilcox.

Frankly, I was greatly shocked to learn that the United States since 1946 has been transmitting information under article 73 (e) for the Territories of Alaska and Hawaii. I hope that steps will be taken to correct this situation as these two organized Territories have elected their own legislatures and both have adopted constitutions in anticipation to being admitted as full members of the Union as the 49th and 50th States.

With best personal regards, I remain,

Sincerely yours,

WILLIAM F. KNOWLAND.

Mr. President, the letter which I wrote Mr. Francis Wilcox, also under date of June 19, 1956, reads as follows:

JUNE 19, 1956.

Hon. FRANCIS O. WILCOX,
Assistant Secretary of State for International Organization Affairs, Department of State, Washington, D. C.

DEAR FRANCIS: Your letter of June 11 has been received, and I wish to thank you for sending me the information.

I would certainly see no objection to the United States filing a report under article 73 (e) relating to American Samoa, Guam, and the Virgin Islands.

I most strenuously do object to this Government having filed such reports for the Territories of Alaska and Hawaii, both of which are destined to become States of the American Union. Both have adopted State constitutions and are awaiting admission as the 49th and 50th States.

I am taking the liberty of forwarding a copy of this letter to Secretary Dulles.

With best personal regards, I remain,

Sincerely yours,

WILLIAM F. KNOWLAND.

Mr. President, I should like to add that, as every Member of the Senate knows, and as Members of the House know, the Territories of Alaska and Hawaii elect delegates to the Congress of the United States who sit in the House of Representatives. So, Mr. President, I hope that prompt action will be taken to get the Territories of Hawaii and Alaska out of the category into which they have apparently been placed.

Mr. BRICKER. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. BRICKER. Have there been any reports from the State Department setting forth why the Territories of Alaska and Hawaii were included in the first place? If so, on what assumption did they make such reports?

Mr. KNOWLAND. I am awaiting a full and complete report. The preliminary information I had when the matter came up in 1946 was that it had been determined that it might encourage some of the other nations to file reports if we included Hawaii and Alaska. I do not agree with that decision, needless to say.

Mr. BRICKER. I join the Senator from California in his attitude in the matter.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The Chair would like to inform the Senator from California that he has requested replacement in the chair so that he might comment on what the distinguished Senator from California has just said, because the cause of statehood for Alaska and Hawaii has been one of my major interests for a long time. The Chair wishes to thank the Senator from California for the additional argument he has made for their admission into the Union. The Chair has been impressed every time he has gone North with the way in which we deny Alaska self-government. The Yukon Territory of Canada has only about 10 percent of the population of Alaska, and yet that territory is allowed a voting representative in the House of Commons of Canada, while our Delegate from Alaska is still denied the right to vote.

Mr. KNOWLAND. I thank the Presiding Officer.

SIMPLIFICATION OF ACCOUNTING METHODS

Mr. KENNEDY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2287, Senate bill 3362.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3362) to simplify accounting, facilitate the payment of obligations, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Government Operations with amendments.

Mr. KENNEDY. Mr. President, this bill was reported unanimously from the Subcommittee on Reorganization and by the Government Operations Committee. It would put into effect one of the recommendations of the Hoover Commission.

Under present law, unexpended balances of appropriations with limited fiscal-year availability, lapse, or cease to be available to the agencies to which they are provided at the end of two full fiscal years following the fiscal year or years for which appropriated. At that time such balances are transferred to a consolidated Treasury Department appropriation account known as "Payment of certified claims."

This bill authorizes agencies of the Government to pay undisputed bills chargeable in precisely the same manner as are bills payable from currently available appropriations. It is anticipated that enactment of the bill will result eventually in direct savings of approximately $600,000 annually. Savings will also be effected by the agencies concerned, and there will be a far more accurate idea of the exact amount to be appropriated to the Treasury Department each year instead of, as at present, all balances being charged to the Treasury Department rather than to the agencies involved.

As I have said, the bill has been reported unanimously, and I hope it will be passed by the Senate.

The PRESIDING OFFICER. The committee amendments will be stated.

The amendments of the Committee on Government Operations were on page 1, line 3, after the word "That", to strike out "except as otherwise provided by law"; at the beginning of line 4, to strike out "of" and insert "for"; in line 8, after the word "the", to strike out "activity" and insert "agency or subdivision thereof"; on page 2, line 8, after the word "derived", to insert a colon and "*Provided,* That when it is determined necessary by the head of the agency concerned that a portion of the remaining balance withdrawn is required to liquidate obligations and reflect adjustments, such portion of the remaining balance may be restored to the appropriate account established pursuant to this act: *Provided further,* That the head of the agency concerned shall make a report with respect to each such restoration to the Chairmen of the Committees on Appropriations of the Senate and the House of Representatives, to the Comptroller General of the United States, and to the Director of the Bureau of the Budget"; on page 3, line 7, after the word "account", to insert "as of the close of the fiscal year"; in line 10, after the word "appropriations", to strike out "as of the close of the fiscal year"; in line 22, after the word "withdrawals", to strike out "required" and insert "made"; in line 23, after the word "to", to strike out "subsection (a)" and insert "subsections (a) and (b)"; on page 4, line 20, after the word "each", where it appears the second time, to strike out "activity responsible for the liquidation of the obligations chargeable to such accounts" and insert "agency concerned"; on page 5, at the beginning of line 2, to strike out "shall" and insert "may"; on page 6, line 23, after the word "the", to strike out "activity" and insert "agency or subdivision thereof"; on page 7, line 6, after the word "been", to strike out "fulfilled or will not be undertaken or continued" and insert "fulfilled"; on page 8, after line 6, to insert:

(f) Any provisions (except those contained in appropriation acts for the fiscal years 1956 and 1957) permitting an appropriation to remain available for expenditure for any period beyond that for which it is available for obligation, but this subsection shall not be effective until June 30, 1957.

In line 13, after the word "Columbia", to insert "or to the appropriations disbursed by the Secretary of the Senate or the Clerk of the House of Representatives"; and after line 15, to insert:

SEC. 9. The inclusion in appropriation acts of provisions excepting any appropriation or appropriations from the operation of the

provisions of this act and fixing the period for which such appropriation or appropriations shall remain available for expenditure is hereby authorized.

So as to make the bill read:

Be it enacted etc., That (a) the account for each appropriation available for obligation for a definite period of time shall, upon the expiration of such period, be closed as follows:

(1) The obligated balance shall be transferred to an appropriation account of the agency or subdivision thereof responsible for the liquidation of the obligations, in which account shall be merged the amounts so transferred from all appropriation accounts for the same general purposes; and

(2) The remaining balance shall be withdrawn and, if the appropriation was derived in whole or in part from the general fund, shall revert to such fund, but if the appropriation was derived solely from a special or trust fund, shall revert, unless otherwise provided by law, to the fund from which derived: *Provided*, That when it is determined necessary by the head of the agency concerned that a portion of the remaining balance withdrawn is required to liquidate obligations and reflect adjustments, such portion of the remaining balance may be restored to the appropriate account established pursuant to this act: *Provided further*, That the head of the agency concerned shall make a report with respect to each such restoration to the chairmen of the Committees on Appropriations of the Senate and the House of Representatives, to the Comptroller General of the United States, and to the Director of the Bureau of the Budget.

(b) The transfers and withdrawals required by subsection (a) of this section shall be made—

(1) not later than September 30 of the fiscal year immediately following the fiscal year in which the period of availability for obligation expires, in the case of an appropriation available both for obligation and disbursement, on or after the date of approval of this act; or

(2) not later than September 30 of the fiscal year immediately following the fiscal year in which this act is approved, in the case of an appropriation which, on the date of approval of this act, is available only for disbursement.

(c) For the purposes of this act, the obligated balance of an appropriation account as of the close of the fiscal year shall be the amount of unliquidated obligations applicable to such appropriation less the amount collectible as repayments to the appropriations as reported pursuant to section 1311 (b) of the Supplemental Appropriation Act, 1955 (68 Stat. 830; 31 U. S. C. 200 (b)). Collections authorized to be credited to an appropriation but not received until after the close of the fiscal year in which such appropriation expires for obligation shall, unless otherwise authorized by law, be credited to the appropriation account into which the obligated balance has been or will be transferred, pursuant to subsection (a) (1), except that collections made by the General Accounting Office for other Government agencies may be deposited into the Treasury as miscellaneous receipts.

(d) The transfers and withdrawals made pursuant to subsections (a) and (b) of this section shall be accounted for and reported as of the fiscal year in which the appropriations concerned expire for obligation, except that such transfers of appropriations described in subsection (b) (2) of this section shall be accounted for and reported as of the fiscal year in which this act is approved.

SEC. 2. Each appropriation account established pursuant to this act shall be accounted for as one fund and shall be available without fiscal year limitation for payment of obligations chargeable against any of the appropriations from which such account was derived. Subject to regulations to be prescribed by the Comptroller General of the United States, payment of such obligations may be made without prior action by the General Accounting Office, but nothing contained in this act shall be construed to relieve the Comptroller General of the United States of his duty to render decisions upon requests made pursuant to law or to abridge the existing authority of the General Accounting Office to settle and adjust claims, demands, and accounts.

SEC. 3. (a) Appropriation accounts established pursuant to this act shall be reviewed periodically but at least once each fiscal year, by each agency concerned. If the undisbursed balance in any account exceeds the obligated balance pertaining thereto, the amount of the excess shall be withdrawn in the manner provided by section 1 (a) (2) of this act; but if the obligated balance exceeds the undisbursed balance, the amount of the excess may be transferred to such account from the appropriation currently available for the same general purposes. A review shall be made as of the close of each fiscal year and the transfers or withdrawals required by this section accomplished not later than September 30 of the following fiscal year, but the transactions shall be accounted for and reported as of the close of the fiscal year to which such review pertains. A review made as of any other date for which transfers or withdrawals are accomplished after September 30 in any fiscal year shall be accounted for and reported as transactions of the fiscal year in which accomplished.

(b) Whenever a payment chargeable to an appropriation account established pursuant to this act would exceed the undisbursed balance of such account, the amount of the definciency may be transferred to such account from the appropriation currently available for the same general purposes. Where such deficiency is caused by the failure to collect repayments to appropriations merged with the appropriation account established pursuant to this act, the amount of the deficiency may be returned to such current appropriation if the repayments are subsequently collected during the same fiscal year.

(c) In connection with his audit responsibilities, the Comptroller General of the United States shall report to the head of the agency concerned, to the Secretary of the Treasury, and to the Director of the Bureau of the Budget, respecting operations under this act, including an appraisal of the unliquidated obligations under the appropriation accounts established by this act. Within 30 days after receipt of such report, the agency concerned shall accomplish any actions required by subsection (a) of this section which such report shows to be necessary.

SEC. 4. During the fiscal year following the fiscal year in which this act becomes effective, and under rules and regulations to be prescribed by the Comptroller General of the United States, the undisbursed balance of the appropriation account for payment of certified claims established pursuant to section 2 of the act of July 6, 1949 (63 Stat. 407; 31 U. S. C. 712b), shall be closed in the manner provided in section 1 (a) of this act.

SEC. 5. The obligated balances of appropriations made available for the obligation for definite periods of time under discontinued appropriation heads may be merged in the appropriation accounts provided for by section 1 hereof, or in 1 or more other accounts to be established pursuant to this act for discontinued appropriations of the agency or subdivision thereof currently responsible for the liquidation of the obligations.

SEC. 6. The unobligated balances of appropriations which are not limited to a definite period of time shall be withdrawn in the manner provided in section 1 (a) (2) of this act whenever the head of the agency concerned shall determine that the purpose for which the appropriation was made has been fulfilled; or, in any event, whenever disbursements have not been made against the appropriation for 2 full consecutive fiscal years: *Provided*, That amounts of appropriations not limited to a definite period of time which are withdrawn pursuant to this section or were heretofore withdrawn from the appropriation account by administrative action may be restored to the applicable appropriation account for the payment of obligations and for the settlement of accounts.

SEC. 7. The following provisions of law are hereby repealed:

(a) The proviso under the heading "Payment of certified claims" in the act of April 25, 1945 (59 Stat. 90; 31 U. S. C. 690);

(b) Section 2 of the act of July 6, 1949 (63 Stat. 407; 31 U. S. C. 712b), but the repeal of this section shall not be effective until June 30, 1957;

(c) The paragraph under the heading "Payment of certified claims" in the act of June 30, 1949 (63 Stat. 358; 31 U. S. C. 712c);

(d) Section 5 of the act of March 3, 1875 (18 Stat. 418; 31 U. S. C. 713a); and

(e) Section 3691 of the Revised Statutes, as amended (31 U. S. C. 715).

(f) Any provisions (except those contained in appropriation acts for the fiscal years 1956 and 1957) permitting an appropriation to remain available for expenditure for any period beyond that for which it is available for obligation, but this subsection shall not be effective until June 30, 1957.

SEC. 8. The provisions of this act shall not apply to the appropriations for the District of Columbia or to the appropriations disbursed by the Secretary of the Senate or the Clerk of the House of Representatives.

SEC. 9. The inclusion in appropriation acts of provisions excepting any appropriation or appropriations from the operation of the provisions of this act and fixing the period for which such appropriation or appropriations shall remain available for expenditure is hereby authorized.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Government Operations be discharged from the further consideration of the bill (H. R. 9593) to simplify accounting, to facilitate the payment of obligations, and for other purposes.

The PRESIDING OFFICER. Without objection the Committee on Government Operations is discharged from the further consideration of the bill referred to by the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I now move that the Senate proceed to the consideration of House bill 9593.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 9593) to simplify accounting, to facilitate the payment of obligations, and for other purposes.

Mr. KENNEDY. Mr. President, I move that all after the enacting clause of the House bill be stricken, and that the Senate bill, as amended, be substituted for the language of the House bill, and that following the passage of the House bill the Senate bill be indefinitely postponed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 9593) was read the third time and passed.

The PRESIDING OFFICER. Senate bill 3362 is indefinitely postponed.

Mr. KENNEDY subsequently said: Mr. President, I ask unanimous consent that there may be printed in the RECORD, following the passage of House bill 9593, a brief explanation of the differences between that bill and Senate bill 3362.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMPARISON OF H. R. 9593, AS APPROVED BY THE HOUSE, WITH S. 3362

Section 1 of S. 3362 provides for the transfer and merger in no-year accounts of all obligated balances of appropriations which are made for a definite period of time (1 year for obligation and 3 years for liquidation of obligations) immediately after the close of the first year.

H. R. 9593 postpones the transfer of the obligation balances until the end of the second year after expiration of the obligation period, i. e., at the end of the third year or expiration of the appropriation for expenditure purposes.

Section 1 (a) (2) and (3) of S. 3362 provides alternate authority to restore amounts withdrawn as unobligated or to effect transfers from current appropriations for supplying funds to balance the liquidated accounts, effect adjustments, and to pay outstanding obligations.

H. R. 9593 provides that funds necessary for these purposes will be limited to, and supplied from, amounts withdrawn as unobligated. Balances restored to liquidated obligations and to effect adjustments are required to be reported to the Bureau of the Budget prior to restoration.

The Senate bill is silent as to when the report must be made but requires report to the Appropriations Committees, Bureau of the Budget, and to the Comptroller General of the United States.

Both bills eliminate the requirement that all bills chargeable to lapsed appropriations must be submitted to the General Accounting Office before payment.

Both bills permit the agencies to pay prior year obligations in the same manner as current bills.

Both bills contemplate that expenditures on account of prior year obligations will be charged against the agency actually incurring the obligation rather than charging the Treasury Department as is done at the present time.

DISPOSAL OF SURPLUS PROPERTY

Mr. KENNEDY. Mr. President, I move that the Senate proceed to the consideration of Order No. 2288, H. R. 7227.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7227) to amend further the Federal Property and Administrative Services Act of 1949, as amended, to authorize the disposal of surplus property for civil defense purposes, to provide that certain Federal surplus property be disposed of to State and local civil defense organizations which are established by or pursuant to State law, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Government Operations with an amendment, to strike out all after the enacting clause and insert:

That subsection 203 (j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U. S. C. 484 (j)), is amended to read as follows:

"(j) (1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate without cost (except for costs of care and handling) for use in any State for purposes of education, public health, or civil defense, or for research for any such purpose, any equipment, materials, books or other supplies (including those capitalized in a working capital or similar fund) under the control of any executive agency which shall have been determined to be surplus property and which shall have been determined under paragraph (2), (3), or (4) of this subsection to be usable and necessary for any such purpose. In determining whether property is to be donated under this subsection, no distinction shall be made between property capitalized in a working-capital fund established under section 405 of the National Security Act of 1947, as amended, or any similar fund, and any other property. No such property shall be transferred for use within any State except to the State agency designated under State law for the purpose of distributing in conformity with the provisions of this subsection, all property allocated under this subsection for use within such State.

"(2) In the case of surplus property under the control of the Department of Defense, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities which are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools. If such Secretary shall determine that such property is usable and necessary for such purposes, he shall allocate it for transfer by the Administrator to the appropriate State agency for distribution to such educational activities. If he shall determine that such property is not usable and necessary for such purposes, it may be disposed of in accordance with paragraph (3) or paragraph (4) of this subsection.

"(3) Determination whether such surplus property (except surplus property allocated in conformity with par. (2) of this subsection) is usable and necessary for purposes of education or public health, or for research for any such purpose, in any State shall be made by the Secretary of Health, Education, and Welfare, who shall allocate such property on the basis of needs and utilization for transfer by the Administrator to such State agency for distribution to (A) tax-supported medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, and universities, and (B) other nonprofit medical institutions, hospitals, clinics, health centers, schools, colleges, and universities which are exempt from taxation under section 501 (c) (3) of the Internal Revenue Code of 1954. No such property shall be transferred to any State agency until the Secretary of Health, Education, and Welfare has received, from such State agency, a certification that such property is usable and needed for educational or public-health purposes in the State, and until the Secretary has determined that such State agency has conformed to minimum standards of operation prescribed by the Secretary for the disposal of surplus property.

"(4) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for civil-defense purposes, including research, in any State shall be made by the Federal Civil Defense Administrator, who shall allocate such property on the basis of need and utilization for transfer by the Administrator of General Services to such State agency for distribution to civil-defense organizations of such State, or political subdivisions and instrumentalities thereof, which are established pursuant to State law. No such property shall be transferred until the Federal Civil Defense Administrator has received from such State agency a certification that such property is usable and needed for civil-defense purposes in the State, and until the Federal Civil Defense Administrator has determined that such State agency has conformed to minimum standards of operation prescribed by the Federal Civil Defense Administrator for the disposal of surplus property. The provisions of sections 201 (b), 401 (c), 401 (e), and 405 of the Federal Civil Defense Act of 1950, as amended, shall apply to the performance by the Federal Civil Defense Administrator of his responsibilities under this section.

"(5) The Secretary of Health, Education, and Welfare and the Federal Civil Defense Administrator may impose reasonable terms, conditions, reservations, and restrictions upon the use of any single item of personal property donated under paragraph (3) or paragraph (4), respectively, of this subsection which has an acquisition cost of $2,500 or more.

"(6) The term 'State', as used in this subsection, includes the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States."

SEC. 2. (a) Clause (C) of paragraph (2) of subsection 203 (k) of such act is amended by striking out the word "or" at the end thereof.

(b) Clause (D) of paragraph (2) of such subsection is amended by striking out the comma at the end thereof and inserting in lieu thereof a semicolon and the word "or."

(c) Paragraph (2) of such subsection is amended by inserting, immediately after clause (D) thereof, as amended by this section, the following new clause:

"(E) the Federal Civil Defense Administrator, in the case of property transferred pursuant to this act to civil-defense organizations of the States or political subdivisions or instrumentalities thereof which are established by or pursuant to State law,".

SEC. 3. Subsection 203 (n) of such act is amended to read as follows:

"(n) For the purpose of carrying into effect the provisions of subsections (j) and (k), the Secretary of Health, Education, and Welfare, the Federal Civil Defense Administrator, and the head of any Federal agency designated by either such officer, are authorized to enter into cooperative agreements with State surplus property distribution agencies designated in conformity with paragraph (1) of subsection (j). Such cooperative agreements may provide for utilization by such Federal agency, without payment or reimbursement, of the property, facilities, personnel, and services of the State agency in carrying out any such program, and for making available to such State agency, without payment or reimbursement, property, facilities, personnel, or services of such Federal agency in connection with such utilization."

SEC. 4. Subsection (h) of section 507 of the Federal Property and Administrative Services Act of 1949, as amended, as added by clause (3) of the joint resolution entitled "Joint resolution to provide for the acceptance and

maintenance of Presidential libraries, and for other purposes," approved August 12, 1955 (69 Stat. 697), is redesignated as subsection (i) of such section.

SEC. 5. (a) Except as provided by subsection (b), the amendments made by this act shall become effective on the first day of the first month beginning after the date of enactment of this act.

(b) In the case of any State which on the date of enactment of this act has not designated a single State agency for the purpose of distributing surplus property pursuant to subsection 203 (j) of the Federal Property and Administrative Services Act of 1949, as amended, transfers of such property may be made by the Administrator of General Services under such subsection, as amended by this act, to the State agency heretofore designated in such State to distribute property in conformity with such subsection for purposes of education and public health to the extent that such agency is authorized under State law to receive and distribute any class of property transferred pursuant to such subsection, or in the absence of any such agency or in the absence of authority of such agency to receive and distribute any such class of property, to any State agency or official authorized under State law to receive and distribute such property, until 90 calendar days have passed after the close of the first regular session of the legislature of such State beginning after the date of enactment of this act.

Mr. KENNEDY. Mr. President, the purpose of the bill, as amended, is to amend section 203 of the Federal Property and Administrative Services Act of 1949, as amended, to authorize the donation of Government-owned surplus personal property to civil-defense organizations of the States and political subdivisions thereof which have been established by or pursuant to State law. This will mean that the civil-defense organizations will share as donees of surplus property with health and education departments in the various States. The bill has been highly recommended by Governor Peterson of the civil-defense organization. The committee held hearings on the bill, and reported it unanimously. There is no objection to it. The bill has the support of the Bureau of the Budget and all other agencies of the Government. I hope the Senate will pass the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 7227) was read the third time and passed.

The title was amended, so as to read: "An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the disposal of surplus property for civil-defense purposes, and for other purposes."

PAYMENT FOR CERTAIN IMPROVEMENTS IN RAPID VALLEY UNIT, SOUTH DAKOTA, MISSOURI RIVER BASIN PROJECT

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1622) to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes, which were on page 1, lines 4 and 5, strike out "of the Rapid Valley unit, South Dakota,"; on page 2, line 5, strike out "$18,383 as reimbursable" and insert "$16,382 as reimbursement"; on page 2, line 7, after "thereof" insert "on other lands", and on page 2, line 10, strike out "13" and insert "30."

Mr. ANDERSON. Mr. President, on June 19, the House of Representatives passed S. 1622, with certain corrective or clarifying amendments recommended by the Department of the Interior. I have conferred with members of the Senate Committee on Interior and Insular Affairs and with the sponsor of the bill (Mr. CASE of South Dakota). All are agreeable to accepting the House amendments.

I, therefore, move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE, 1957

Mr. KENNEDY. Mr. President, I move that at the conclusion of today's business of the Senate H. R. 10986, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, be made the pending order of business.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 2106. An act to provide that the enlistment contracts or periods of obligated service of members of the Armed Forces shall not terminate by reason of appointment as cadets or midshipmen at the Military, Naval, Air Force, or Coast Guard Academies, or as midshipmen in the Naval Reserve, and for other purposes;

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended;

H. J. Res. 533. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 534. Joint resolution to waive certain provisions of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 535. Joint resolution for the relief of certain aliens;

H. J. Res. 553. Joint resolution waiving certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, and for other purposes;

H. J. Res. 554. Joint resolution for the relief of certain aliens;

H. J. Res. 555. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 566. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

THE NEED FOR LIBERALIZING THE SOCIAL SECURITY SYSTEM BY ADDING CERTAIN BENEFITS

Mr. DOUGLAS. Mr. President, I rise to support the amendment which will shortly be offered to provide benefits to insured Americans at the age of 50 for total disabilities which will be relatively permanent in nature. Such a provision was in the House bill which passed that body last year by a vote of 372 to 31. This feature, along with others, was, however, eliminated by the Senate Finance Committee, although there were three of us, the Senator from Georgia [Mr. GEORGE], the Senator from Louisiana [Mr. LONG], and myself, all members of the Democratic Party, who voted for it.

1. THE PROBLEM OF DISABILITY

First, let us make no mistake about the seriousness of the problems created by those who are totally and in large part permanently disabled. The total number of those so disabled has been estimated in 1954 at 5.3 million, or 3.3 percent of the population. This includes mental as well as physical cases—see Social Security Bulletin, June 1955, pages 20–21. A quarter of a million of this total were believed to be under 14 years of age or about one-half of 1 percent of the total number in this age group. About 2.9 million were suffering from long-term disability in the 14- to 64-year age group. Since there were about 100 million persons in this very group, this was equivalent to a long-term disability rate of 2.9 percent. For those over 64, the long-term disability rate was much higher, namely, approximately 16 percent, with the estimated total number of the disabled amounting to about 2,150,000.

Two other overall figures are important. The total number of the long-term disabled who were in institutions was estimated at 1.2 million—Social Security Bulletin, June 1955, pages 20–21. This includes mental patients. While there are no definite statistics on the numbers in this subgroup, nevertheless, since there are 750,000 hospital beds for the mentally sick, and since these are overtaxed, it can safely be assumed that the mentally ill furnish the large majority of the 1.2 million who are hospitalized with long-term disabilities.

The Social Security Administration estimates that of the total number suffering from long-term disability about 2.2 million would otherwise be in the labor force. This is a loss of a little over 3 percent of the total labor supply. It should be noted that all these people are unable to work and that their loss of earning power will either continue throughout their life or for long periods of time. During this entire period they will be unable to earn and except in rare instances cannot support themselves, let alone aid in the support of others.

But not only are they unable to earn current income; their expenses are commonly heavier than those who are able to work, for they require special medical attention, appliances, medicine, and in many cases hospital care.

All this rapidly eats up savings and makes the disabled person dependent upon others. Whole families are dragged down by the crippling accidents and diseases which swell the numbers of the disabled.

We all know individual cases of families where literal havoc has been created by those misfortunes. They are vivid in our memories as individual cases. We sometimes forget, however, how widespread is this destruction and how great is the total human and economic loss. The mass figures which I have given may therefore indicate the dimensions of this very real national calamity and strengthen our desire to do something effective about it.

2. ATTEMPTS TO MEET IT

The proposal for benefits to those gravely disabled is no sudden innovation. In 1938 the advisory committee to the Senate and to the Social Security Administration, of which I was then a member, recommended the ultimate adoption of benefits for so-called total and apparently permanent disability although there was some disagreement as to when such a system should be instituted. In 1941 the Social Security Board recommended that it be adopted. In 1948, the second advisory committee, after a long study of the problem, voted 15 to 2 in favor of such a system. In 1949 the House of Representatives passed a revision of the Social Security Act which provided for benefits for total disability without any restriction as to age. This provision was eliminated by the Senate Finance Committee, just as the committee has done this year to a more limited proposal.

What we did instead, in 1950, was to provide public assistance on a Federal-State matching basis for those who, though less than 65 were, according to the advice of responsible medical opinion and administrative determination, permanently and totally disabled. There are today approximately 247,000 persons who are receiving such assistance, plus 104,000 blind who have been granted corresponding assistance from the very beginning of the Social Security Act.

3. THE WEAKNESSES OF THE ASSISTANCE SYSTEM

There are, however, many critical weaknesses in this assistance system. In the first place there are seven States which have not accepted the Federal-State matching system, and which therefore are not making such payments. These States are Arizona, California, Indiana, Iowa, Kentucky, Nevada, and Texas—see testimony of Secretary Folsom, hearings, page 1263, and other material. I should also add the Territory of Alaska. One-fifth of the population of the country lives in those States, and is therefore outside the scope of such protection. Furthermore, in many of the States which do grant aid to the disabled, the program is so restrictive that an individual must be virtually helpless to qualify. Secondly, in order to get such assistance the disabled in the remaining States must be subjected to a means test. This, in most cases, is very rigorous. In the majority of States they must first have used up virtually all of their liquid assets. Then, if they own their own home, reversionary rights are taken by the State in such assets. Children and close relatives are directly responsible for the maintenance of their parents, and assistance is not given if the younger generation has any ability to shoulder the load.

These restrictions are probably necessary in any system of public assistance. But they should be frankly recognized for what they are. They mean that the disabled, like the aged, must in most cases be virtually destitute and stripped of all resources before they can qualify for assistance. In addition to all the pain and sacrifice which the disabled must undergo, they must also be ground down close to the bloodless pulp of destitution and forced to sacrifice virtually all savings and assets before they can receive aid.

In fact, this so-called assistance is, indeed, much like the old-fashioned relief. It is more liberally financed and more certain than the old-time relief. But it is still humiliating and relatively inadequate. It is humiliating because the disabled man or woman has to fill out forms pleading not only poverty, but virtual destitution. Then the personal affairs and financial standing of the applicant are subjected to a detailed probing which is embarrassing to all, and still further humiliating to most. And then even if assistance is granted, it is in the barest amounts which will just enable the disabled person to exist. The ingenuity of budgetary experts and of social workers are all harnessed in this cause. Supervision over the expenditures which the disabled and aged can make is lodged with the case workers who have a large degree of disciplinary power over the recipients if the distribution of their expenditures differs appreciably from those that have been recommended. It is small wonder that the disabled do not like this system, which they feel erodes their self-respect.

That the relief is still relatively inadequate is seen by the fact that the average monthly payment for the disabled, for the country as a whole, amounted to only $56.43 in February of this year. About $8 of this was in the form of medical care paid for by the welfare authorities. This meant that the average monthly cash assistance amounted to only around $48 a month. This was about the equivalent of $24 in 1939, since the cost of living has almost doubled since that time. There were moreover eight States in June of last year where the combined cash and medical benefits amounted to less than $40 a month and, of course, a still larger number whose cash benefits were less than this amount.

The hardships of total and long-continued disability are in fact even more severe than those of old age, for the aged customarily accumulate more reserves, and a considerable percentage of them retain at least some ability to earn. The totally disabled, on the other hand, tend to use up their reserves through their long-continued inability to earn and in trying to meet the costs of the medical treatment and care which they must undergo.

4. THE NEED FOR INSURANCE

Disabilities of so grave and serious a nature are precisely the type for which insurance is the most effective protection. Only a relatively small percentage of the population are hit by them; but those who are, are struck with terrific force. There are few individuals who can save up enough to protect themselves if the dread accident or disease should come, for such misfortune will not wait until the victim has accumulated an adequate nest egg. The worker may be struck down in early manhood, before he has accumulated any reserve, or when his family is growing up and his resources are strained to and beyond the limit to care for them. And even if all men were to save for this contingency, in the vast majority of cases it would not be needed, for the great majority escape; and these could have spent their money for more urgent and, to them, more necessary purposes.

Insurance is designed to meet this very situation and to furnish pooled protection against losses, the total of which can be roughly approximated, but the specific incidence of which cannot be foreseen.

It is better for the many to make small payments, and hence to decrease their incomes slightly, than for a small minority to suffer heavy and crushing losses. What could not be borne by the few whom grave misfortune visits can easily be supported by the many, all of whom are endangered, even though the vast majority ultimately escape. In addition, because of insurance, all will worry less because one fear will be reduced or removed. People will sleep better at night, and will be happier and more productive by day.

This is the fundamental justification of life, fire, accident, and marine insurance. It is better for each of a thousand homeowners to pay $15 a year in premiums for $15,000 of insurance on their homes, than for the one householder whose home does burn to suffer the full loss of $15,000.

This is exactly the case with crippling disability. Individual and voluntary disability insurance is an excellent thing. Those who sell and manage it are performing useful service. But we cannot depend solely, and probably not even primarily, upon it. In the first place, the immediate needs of a family are so pressing that well-meaning and even prudent individuals will tend to let this contingency rest in the background of their consciousness, and trust to their good fortune to bring them through. Just as the average soldier going into battle does not expect to be killed or seriously wounded, so does the average worker believe that he will go through life relatively unscathed.

Those who are already sick, and who believe that they will become sicker, and those who are afflicted with one or more

ills of the flesh, will want to insure against the greater blows which they believe or fear may fall upon them. The insurance companies naturally try to protect themselves against this tendency by very stringent health requirements, so as to cut down their losses. This in itself shuts out from protection a large portion of those who need assistance the most.

Even with all these precautions, however, there is an adverse selection of risks, so that the insurance companies in self-protection have to raise their rates in order to provide for their heavier loss ratio. This makes it harder for those in moderately good health who do want to protect themselves to pay the cost of such insurance, and hence tends to deter them from taking it out. If all were to share the burden of financial support, the average cost to the insured would be markedly lower. General coverage is, therefore, highly desirable.

Bringing those almost completely disabled for long periods of time under the Social Security System will be far better than to depend solely on either disability assistance or voluntary insurance.

Such protection will be at once more adequate and more self-respecting protection than that which old-age assistance can give. Under the insurance system, for which half of the cost has been paid by the covered workers and the other half by their employers, the disability benefits are paid as a right, not as a gratuity. There is no humiliating means test. Once it is determined that the covered worker is so seriously disabled as to be unable to engage in any substantial gainful activity, then at age 50, and subject to conditions which will be stated later, he becomes eligible for benefit, without regard to whether he is destitute. As we shall see, certain rather rigid requirements are imposed to check fraud and malingering, but these tests do not deal with whether the insured is poverty-stricken. The aim is, instead, to give the disabled person aid before he is destitute, so that he and his family may be spared this worry and hardship.

The benefits which are to be given are also on the average more generous than the aid given under disability assistance. This is shown by the following table:

Average previous monthly earnings	Workers' monthly disability benefits [1]	Percent benefits of earnings
$100	$55.00	55
$150	68.50	46
$200	78.50	39
$250	88.50	35
$300	98.50	33
$350	108.50	31

[1] There are of course some disabled workers living in States with high assistance payments, but whose previous wages were low, who would get more under disability assistance than disability insurance. But these would be very much in the minority. In these cases, as in old age, both insurance benefits and assistance could be given.

The average benefit which will be paid will be between $75 and $80, or $20 more than the average assistance payment, including medical benefits.

It should be realized that, although the disabled worker who is over 50 receives the same benefit as he individually would be entitled to after 65 years under old-age insurance, he is not entitled to added benefits for a wife or other dependents. No dependency benefit is attached to this proposal.

We are, in fact, trying to do for long-term disability in 1956 what we did for old age in 1935 and for premature death in 1939, namely, to replace assistance by insurance. In 1935, we designed old-age insurance as the method by which old-age assistance was ultimately to be supplanted or greatly reduced. While in the early years of the Social Security System, the number of those receiving old-age assistance was much greater than those receiving insurance benefits, because eligibility had not then been acquired by those in the insurance system, this has been reversed in recent years, as more and more acquired eligibility. Today 4½ millions are receiving old-age insurance benefits, as compared with the 2½ million receiving old-age assistance.

With the broadened coverage of the Social Security Act, which now includes approximately 90 percent of the gainfully employed, this disparity will be still further increased. This is all to the good. The American people have decided that they want self-respecting insurance, rather than public relief. The attempts which were recently made by the United States Chamber of Commerce and others to abandon the insurance principle throughout the Social Security System, and to rely, instead, solely upon assistance, have now been given up, for when they were exposed to the light of day, they collapsed, and they have now gone where the woodbine twineth.

It is the same with disability. Self-respecting insurance is better than humiliating relief; and I feel confident that American workers are willing to pay their share of the extra cost. This has been estimated on a level-premium basis by Robert J. Myers, the actuary for the Social Security Board, at .42 of 1 percent. I think I should add that Mr. Myers' cost estimates have been found to be substantially accurate up to date. To the degree that they have erred, it has been on the conservative side, with an overstatement of probable costs.

5. THE OBJECTIONS CONSIDERED

The objections to insurance against disability which were advanced in the hearings, and which have been raised in public discussion, seem to be approximately four in number: It is objected, first, that the medical determination of eligibility would be very difficult, and that an undue and improper strain would be placed upon doctors and would lead to abuses; second, that the payment of total disability benefits would lead to widespread malingering, because of the desire of the beneficiaries to obtain the security of the disability payments, rather than face the uncertainties of the competitive world; third, that the payment of these benefits would retard the medical and vocational rehabilitation of the disabled, which, it is urged, is more important than their cash compensation; fourth, that it would cost too much.

Let us consider each of these objections in turn. Perhaps the best answer to the first objection is that the determination of disability is already being made in many hundreds of thousands of cases, and is being conducted with substantial satisfaction. Veterans, railway workers, those in Federal employ, under State and local government retirement plans, and those in the employ of large numbers of private companies are already eligible for benefits for long-term disability.

The following are receiving long-term disability benefits from Government administered systems:

1. Veterans (with 70 percent or more disability):	
World War I	41,000
Korean war	18,000
World War II	128,000
Regular Establishment	10,000
2. Railroad retirement	85,000
3. Federal civil service	57,000
4. Federal noncontributing	81,000
5. State and local government retirement plans	45,000
Total	465,000

As Mr. Nelson H. Cruikshank, director of department of social security, AFL–CIO, has cogently observed:

> Persons who say that the Government cannot administer a disability program apparently shut their eyes to the fact that it is administering a number of such programs.

Nearly half a million are receiving disability benefits from publicly administered funds. In addition, many thousands are being paid under private plans, while workmen's compensation for industrial accidents creates a large additional caseload.

In addition to those receiving benefits for virtually total disability, large numbers have been examined, and their cases considered, under the disability freeze which Congress enacted in 1954. By this provision, those who were adjudged, because of physical or mental impairment, to be unable to engage in gainful activity which could be expected to result either in death or in a long-continued and indefinite term of disability, had their old-age-benefit rights continued as of the date of their disability. The fact that they had not been able to be covered during the period of disability, and hence did not make contributions to the fund during that time, was not allowed to count against them, so far as receiving old-age benefits at age 65 was concerned.

To carry out this provision, it was necessary to devise a procedure for determining such long-term disability. The administration was put in the hands of State authorities, generally the boards of vocational rehabilitation, which passed on the reports made to them by members of the medical profession and with ultimate appeal to the Social Security Administration and presumably to the courts.

According to the most recent reports which I have seen, the claims of approximately 105,000 persons for such a "freeze" have been processed. Approximately 65,000 have been granted and about 40,000 rejected. It is thus apparent that the claimants have not ridden roughshod over the administrative agencies. These have indeed shown marked restraint in certifying persons to be entitled to such a freeze.

The most interesting thing about this illustration is that the definition of what is long-term disability and the procedure for determining it is the same under the George amendment to this bill, upon which we shall shortly vote, as it is under the freeze provisions of the 1954 act which I have just described. Since all this has worked efficiently under the "freeze," why could it not work efficiently under the George amendment.

I have studied very carefully the objections which the representatives of the various medical societies have made against the payment of benefits for so-called long-term disabilities. Apparently they boil down to this: There is said to be a subjective as well as an objective factor in disability. Some men may consciously or unconsciously decide to give up the struggle. They will either develop psychosomatic ailments which will apparently disable them or will feign them. They will claim or honestly believe themselves to be afflicted with ailments which are essentially nondiagnosable. Headaches, backaches, and so forth, are frequently of this nature. Cases of rheumatism and arthritis, when traced to their roots, are often similarly caused.

It is, therefore, argued that essentially all these cases are nondiagnosable. Under these circumstances, many claim that doctors would be under great pressure to certify applicants as being more or less totally and permanently disabled, even though, in fact, they might not be. For, it is argued, if doctors acquire a reputation of being tough, they will lose patients who will, instead, flock to the doctors who hand out certificates of disability with a flowing and uncritical hand.

I have, apparently, a higher opinion of the medical profession than many of its official representatives. I believe that the overwhelming majority of the doctors of the country are scrupulously honest in their diagnosis. I do not believe them to be venal, and I will defend their characters and their professional integrity against the implications which have been leveled against them by some of their official spokesmen. Of course, there are probably a few black sheep and some weaklings in their profession, as in all others. But I believe they will be detected rather quickly and their findings will be properly discounted.

This brings us to a basic misunderstanding or misrepresentation of what the role of the physician will be in the administrative process. The representatives of the American Medical Association seem to assume that the doctors will be the men who determine whether or not a claimant is to receive benefits. But this is not the case.

What the doctors will do is to furnish medical information to a State board, which then makes the determination both on the medical and other information. This State board, under the freeze, now consists typically of another doctor and a lay member. In this way the doctors are made consultants rather than State functionaries, and at the same time are largely freed from the pressure to which their spokesmen persist in claiming that they would be subjected.

The definition of a compensable case is quite clear and concise. As has been stated, it is identical with that used for the disability freeze, namely:

> The term "disability" means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long continued and indefinite duration.

Under this provision in the "freeze" determination of disability, a number of commonsense rulings and precedents have been established which will be of great help in making similar determinations for disability benefits. The administrative machinery on the State level has already been set up and is operating. The trail, in short, has been blazed and the way laid out. We have accumulated the experience and the know-how which should enable the benefits to be efficiently administered.

It should also be clearly understood that in addition to the rather precise tests of disability which are set up, four further requisites for eligibility are prescribed—all of which must be satisfied: first, the individual must have had 1½ years of coverage under social security out of the last 3 years; second, he must have had 5 years of coverage in the last 10 years; third, there must have been coverage for half of the time since 1950, or alternatively for 10 years; and finally, fourth, the disability must have been in existence for at least 6 years before monthly benefits will be payable.

All these qualifications, when added to the fact that only those who are 50 years and over are eligible, constitute a very tough set of conditions. While complications are introduced by carrying over the "freeze" provisions for the determination of the disability benefit, these are not unduly serious. They are explained in a technical statement appended to my remarks. In short, while there will still be problems, they can be solved. If we are ever to be ready to handle disability benefits, we now are. And the circumstances under which the George amendment will be carried out could not be more favorable.

Perhaps it should be added for those who believe in decentralized and State rather than Federal administration, that this is precisely what is provided for under the George amendment. The determination and administration will be in the hands of State authorities, with the Social Security Administration merely setting general standards and acting as upper reviewing and appeals body.

In the hearings there are about 10 pages of fine print discussing in great detail the administrative procedures which are followed in determining disability under the "freeze" provision. It is presumed that these procedures will be followed if the George amendment is adopted. A careful study of them will, I believe, show that the criticisms advanced by a great many people against disability benefits are not well founded.

The second and third objections to providing disability benefits, namely, that they will greatly stimulate malingering and impede the rehabilitation of the disabled, are really two phases of the same set of feared dangers and hence may properly be considered together.

What so many of the doctors seem to be afraid of is that once the disabled are in receipt of benefits they may become reconciled to the idea that they are disabled and hence will not strive to rehabilitate themselves either physically or occupationally. It will be easier, it is said, to keep on drawing benefits and to stay out of the stream of productive activity.

It is undeniable that there is something to this objection. But the question is whether it should be controlling. Many of us have carefully considered this question for many years—I have thought about it for 20 years—and have come to the conclusion that this tendency can be largely checked under the George amendment.

For example, the disabled man or woman will not be neglected and will still be checked and aided once he is in receipt of benefits. Unlike the case of old-age benefits, his right to disability benefits is not an absolute one. If the disabled person seems to be neglecting opportunities for improvement, he can be admonished and if he persists, his situation can be reassessed.

A second variation of this fundamental fear of subjective and often unconscious malingering is the argument that disability benefits will impede rehabilitation. Rehabilitation, it is urged, is the all-important goal and to get men and women restored to self-respect and self-support we should not keep them in a dependent position through the payment of benefits.

I yield to no one in my enthusiasm for rehabilitation. I have watched wounded men being rehabilitated in military hospitals, and I am happy to have played a part, although a very minor one, in the improvement and expansion of these services under the Truman administration. I rejoice in the further progress which has been made since then. I believe that in Miss Mary Switzer, who is heading up the rehabilitation work in the Department of Health, Education, and Welfare, we have a truly magnificent public servant. I shall support the rehabilitation program with my full strength.

But it is a great mistake to believe that the benefit system set up by the George amendment is in any real sense antagonistic to, or a substitute for, rehabilitation. On the contrary, it not only supplements, but actually strengthens, the rehabilitation work.

Let us be clear about a very essential fact. Rehabilitation by itself is indeed a very imperfect way of caring for the disabled. For there is competent medical opinion that probably not much more than 25 percent of those above 50 years who are so severely disabled can be restored to self-support. This is a considerable percentage to be sure and every effort should be made to realize it. But, we may ask, what about the other three-quarters? Are they and their families to be crushed into abject poverty? No sane and humane person would agree to that.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the distinguished Senator from New York.

Mr. LEHMAN. I am very much interested in the Senator's remarks on this subject. He and I served together for many years on the Labor and Public Welfare Committee, and we had before us many questions dealing with rehabilitation.

I am sure the Senator from Illinois will recall that at the hearings a great deal of testimony was given to the effect that there is today a backlog of more than 2 million cases of physically handicapped people in this country, and that the number is increasing at the rate of 250,000 a year. On the other hand, we are rehabilitating, or seeking to rehabilitate, only 50 or 60 thousand a year. As the Senator will surely recall, there was a great deal of testimony from the head of the Department of Health, Education, and Welfare, and from important members of his staff, to the effect that for every dollar the United States spends in rehabilitating people, $5 is returned to the United States, through making a person self-supporting again, able to bear his share of the burden, and to pay taxes.

Mr. DOUGLAS. The Senator from New York is entirely correct. He is quite right about the importance of rehabilitation. However, the point I was trying to make is that even if we were to do as good a job as we could, probably in three-quarters of the cases over the age of 50 rehabilitation would not be effective. Therefore we must have some method of taking care of people who cannot be rehabilitated.

Mr. LEHMAN. I fully understand what the distinguished Senator from Illinois is pointing out, and I am in complete agreement with him. But I have been disturbed and distressed for a long time because the very people who are opposing the George amendment or an amendment similar to the George amendment are the ones who have constantly, consistently, and vigorously opposed the Government's taking any adequate steps whatsoever to rehabilitate the physically handicapped. Even this very year a wholly inadequate amount of money has been appropriated for that purpose.

Mr. DOUGLAS. I believe the Senator from New York is correct. When we try to do one thing, we are told that we should do the other; when we try to do the other, we are told that we should do the first.

Mr. LEHMAN. Personally—and I am sure I speak for the other members of the committee—I very much regret that the distinguished Senator from Illinois is no longer a member of the Committee on Labor and Public Welfare, on which he served so devotedly and so effectively. My only consolation is that he is being replaced by a very excellent man, too, the present occupant of the chair.

Mr. DOUGLAS. I thank the Senator from New York. I, too, in many ways regret the transfer.

The objectors, moreover, seem to ignore the fact that under the George amendment the disabled man is required to avail himself of the services of the State rehabilitation agencies upon penalty of losing his benefits. Thus, the scope and importance of rehabilitation work would be greatly increased rather than decreased by the adoption of the George amendment and a powerful enforcing device would be imposed to prevent rehabilitation from being shirked. This is a big improvement over the 1950 provision for disability benefits which was passed by the House and rejected by the Senate Finance Committee. For that bill had no such provision in it and the payment of benefits was almost completely divorced from rehabilitation. I can well remember urging some of the sponsors of the 1950 bill to include such a requirement, as well as my strong feelings of doubt over its absence.

But as I have said, this lack has now been removed and the inclusion of this requirement should remove all legitimate grounds for opposition. Sometimes it seems to me that the opponents ignore the changes that have been made in the draft and do not realize that rehabilitation can be required as a condition of receiving benefits.

To make the transition into gainful employment much easier, it is provided that the benefits will continue in effect during the first year of substantial gainful activity. In this way, everything the disabled man earns during this trial period will be so much added income instead of merely reducing his insurance benefit. In this way, an added inducement is given to disabled men and women to rehabilitate themselves and then, as they acquire more confidence and ability during the initial year, they will be able to strike out for themselves and become completely self-supporting.

Finally, as the American Medical Association itself has pointed out in another connection, the payment of disability benefits should actually make rehabilitation more possible and effective. The fact seems to have been lost sight of that the house of delegates of the AMA approved in December of 1955, only 6 months ago, a report of a special committee on medical relations in workmen's compensation. I hold this report in my hand and ask unanimous consent that it be printed in its entirety at the conclusion of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, at the conclusion of Senator DOUGLAS' remarks.

Mr. DOUGLAS. Mr. President, let me read some salient paragraphs of the report:

> The physician's interest involves recognition that the amount and method of indemnification have a direct and important bearing on an effective rehabilitation regime. While overgenerous indemnity can dull the will for rehabilitation, inadequate indemnity requirements can destroy an employer's incentive to support rehabilitation by providing him with an easier or cheaper alternative. More important, inadequate indemnity can lower patient morale, or force return to gainful employment in advance of clear-cut medical indications.

I should like to call especial attention to this last sentence, that an inadequate indemnity can lower patient morale. This point is developed at length in subsequent paragraphs of this same report.

Now, I think this is good commonsense, and I commend our friends in the American Medical Association for it. But I cannot understand how the American Medical Association can endorse adequate benefits as an aid to the rehabilitation of the industrially disabled, and yet simultaneously condemn in an unmeasured and unrestrained manner the payment of similar benefits for the long-term disabled as an entire group. This is certainly not understandable from the standpoint either of logic or of medical reasoning. The American Medical Association in this respect is indeed like the character in Stephen Leacock's story who mounted his horse and rode off in all directions. I can only conclude that the attitude of the leaders of the American Medical Association, on this as on so many other questions of social policy is largely shaped by their political and social prejudices and likings. These doctors say they are opposed to state medicine, but many of them seem to want to create a medical state. Thus, a leading candidate for the presidency of the American Medical Association, without having personally examined any of the men in question, has solemnly announced that the President, after a critical heart attack and a major operation, is in better physical condition than any of his various Democratic rivals. It is about time that the rank and file of the profession expressed their disapproval both of politics in medicine and medicine in politics.

The fourth objection to the George amendment is that it will cost too much. As I have pointed out, the actuary for the Social Security Administration, Robert J. Myers, has made an intermediate estimate of cost which is between the high and low estimates. On a level premium basis through time, this average was set at forty-two one hundredths of 1 percent of the covered payroll. In the beginning, the cost would be much less than this. Mr. Myers estimates that in the first year, approximately 250,000 persons would draw disability benefits totaling a little over $200 million at an average cost of about one-sixth of 1 percent of the covered payroll. This number would probably increase in 25 years to a total of around 1 million persons and a payroll cost of around $900 million, or about two-thirds of 1 percent of the covered earnings.

But the surplus accumulated during the earlier years, on a forty-two one hundredths of 1 percent contribution plus accumulated interest, would probably be sufficient according to Dr. Myers to meet the costs into the foreseeable future—it should be noted that this is an intermediate cost estimate based on the assumption of high-level employment.

To provide an assessment of one-half of 1 percent of payroll, distributed equally between employer and employee should, therefore, provide a safety factor of nearly one-tenth of 1 percent or one-fifth of the basic estimates.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Louisiana, who has played such a magnificent part in this whole fight.

Mr. LONG. The Senator was very gracious in permitting me to look at an advance copy of his remarks, which I appreciate very much. I completely agree with the Senator's position. The speech he is making is one of the best speeches that has ever been made on the subject of disability insurance.

I completely agree with him that spreading the risk with small payments, which everyone can afford, is the way to take care of disability. It is certainly far better than the public welfare approach, which requires that the person applying for relief be needy, that he have no means of getting other assistance, or that his relations cannot help him, or similar situations.

The idea of preserving a person's pride and self-respect, by having him pay for the insurance which he receives in payments, appeals to me.

We can say, of course, that the man who receives the smallest percentage return with regard to the amount he pays in is the person in the upper brackets. For example, a man who makes as much as $4,200 or more a year will receive in disability payments only about 31 percent of his earnings, whereas a person who earns $100 a month receives about 55 percent of his earnings.

I believe that when it is worked out, it will be found that a person would be paying about 75 cents a month to insure himself against disability, and that his employer would be paying 75 cents a month also.

When such a man lost his job because of disability he would be in a position to draw, starting at age 50, a total of approximately $19,000, to carry him from the time he was 50 years of age until he was 65.

That is certainly a large amount of assistance for a person to receive in the event he is disabled, to offset the terrific hardship which his disability in all probability would entail. It is a rather high payment, and I am sure that almost every workman in the country would be willing to pay such a small amount for that kind of protection.

Mr. DOUGLAS. I thank the Senator from Louisiana. It comes to about $10 a year. I regard that as a good investment. The Senator from Louisiana the other day made his case on the floor of the Senate. He made it very succinctly in a few sentences. He made the very best brief statement of the issue that I have ever heard. If people will only realize what is involved here, they will cease to make many of their objections.

I may say that this is not only insurance, but it is social insurance. In social insurance it is possible to introduce a principle which it is not possible to introduce in private insurance, namely, some sharing of the benefits and some of the allocation of the costs.

Social security is good for everyone in most circumstances. Its broader effect is to give a greater proportionate benefit to those who are most in need, on the Christian principle of "Share ye with one another your burdens."

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LEHMAN. Is it not a fact that, as the Senator from Illinois and the Senator from Louisiana have pointed out, unless we adopt a plan of disability insurance such as is provided in the George amendment, the only alternative is that a great number of the men who are permanently and totally disabled will necessarily become objects of charity?

Mr. DOUGLAS. That is correct. There is no alternative that I can think of, except using up one's private resources.

Mr. LEHMAN. In many cases there are no private resources to draw on, because those private resources usually have already been consumed and the families are poor and are unable to take care of the person. As I see it, the only alternative is for the person to become an object of charity.

Mr. LONG. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. I yield.

Mr. LONG. One thing which I do not understand is why some people who appreciate the need of this type of insurance oppose it so vigorously. I have in mind the American Medical Association. It was only a year ago that spokesmen for the American Medical Association came before the committee and asked us to pass a bill giving them a tax deduction to assist them in insuring themselves against disability.

In other words, the doctor recognizes that if he should go blind, for instance, he could not continue his practice as a doctor. So they came before the committee and asked for a tax deduction. Most doctors are in a relatively high income-tax bracket. If we had adopted that proposal, it would have meant that Uncle Sam was picking up about 50 percent of the check. That is what it would have amounted to.

Under such a proposal the cost of disability insurance for doctors would have been about the same cost to the doctors as it would have been if they had placed themselves under social security because the social-security program costs only about half as much as it would cost to take out similar insurance with a private company. The working man wants what the doctors want. If it is good enough for the doctors, it should be good enough for the workingmen.

Mr. DOUGLAS. They want to be taken care of under the social-security system.

Mr. LONG. That is correct. The doctors constitute the only large remaining group of professional people who are opposed to social security. The lawyers asked to be taken under this system.

Mr. DOUGLAS. That is in the case of young lawyers.

Mr. LONG. Yes. But they learned what it was all about. In the great city of Cleveland, the lawyers started to wake up to what the social-security system was all about. Some of them came before us at the time the American Bar Association was against the social-security system.

They had a discussion group. Two men debated in favor of social security and two men debated against it. After the debate was concluded before the whole group of attorneys, they proceeded to take a vote of all the attorneys present as to whether they were for or against lawyers being covered by social security. Every lawyer present, including those who had conducted the debate, voted in favor of social security. They were convinced, after they had studied the subject, that it was the best type of insurance for the cost that could be devised.

The only group of professional people who will be left out, after we pass this bill, will be the doctors and the chiropractors. I understand the chiropractors want to be considered in the same category with doctors, and I can understand why. It somewhat dignifies them to be in the same category with doctors. Those are the only professional groups of any consequence that will not be covered by social security after we pass this bill.

Mr. DOUGLAS. Of course, there are some members of the medical profession who do wish to be included.

Mr. LONG. I would be willing to leave out the doctors, so long as a majority of them do not want to be under Social Security. If they do not want it, that is alright with me. But I do not see why the doctors should send a representative from every medical association in the United States to testify against letting the workingman purchase that which the workingman wants to buy.

Mr. DOUGLAS. The Senator is referring to disability insurance, is he not?

Mr. LONG. Yes. They do not want the working man to have what is good for the doctors. If they do not want it, they can be left out. But I do not see why they should oppose letting the workingman have something for which he is willing to pay.

Mr. DOUGLAS. I am greatly disappointed that they are opposing it, and I hope Members of the Senate will not be overpowered by their opposition. It is true that the American Medical Association had a powerful influence in the 1952 elections, though I do not think it was as great as was claimed by them. They claim credit for defeating several Members of the Senate.

Mr. LONG. I believe the proposal is, in a sense, a subsidy for the medical profession, because, if we consider the disabling diseases, it will be found that the top one in the list is heart disease with hardening of the arteries. Anyone who has that disease needs a doctor. How can such a person pay the doctor? He cannot work. He would be able to pay his doctor bill if he had disability assistance.

I believe arthritis is next on the list. If a man has arthritis, he needs a doctor.

Cancer of the blood tops the list of the various kinds of cancer. A person with such a disease needs a doctor.

Polio is one of the top disablers. People suffering from that disease need doctors. They have to have doctors to look after them from day to day. The income realized from social security disability insurance would pay the doctor bill.

One of these days, the medical association will wake up to the fact that when payments are made for these various disabling diseases, the doctor will be one of the persons sharing in the check.

Why they have not figured that out up to this time, I cannot understand.

Mr. LEHMAN. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. LEHMAN. I am not at all surprised, because I have seen a similar attitude taken in many other activities affecting the health of the people.

The American Medical Association is opposing social security on the ground that the people could and should be rehabilitated. But as governor of a great State for many years, and as a member of the Committee on Labor and Public Welfare of the Senate, I do not recall any occasion whatsoever when the American Medical Association tried to use its influence to obtain appropriations sufficient to advance the cause of rehabilitation. They just have not done that. I have the greatest admiration for most medical practitioners. Individual doctors frequently make tremendous sacrifices. I am not referring to them but to the American Medical Association. The officers and governing body of the American Medical Association have opposed social security as they have opposed so many other things which are necessary to the welfare of the people, and to which the people are entitled.

Mr. DOUGLAS. I think one of the tragedies of modern life in America has been the fact that doctors who are so generous and kind in their individual treatment of patients have allowed themselves to be governed by an inner clique of physicians to the well-to-do who do not have a great deal of personal contact with the problems of poor people, and who are largely the articulate members of the various medical societies. As a result, they have opposed in all too many cases measures which would really help the health and welfare of the American people. I think it has been a tragedy that they have adopted such an attitude.

Mr. President, I have said that the assistance will be ample to meet the costs.

Our critics, however, claim that this would not be enough and say that the tendency toward malingering and the way in which the disability rate rose under private plans during the great depression of the thirties is clear indication that the costs might be double Myers' intermediate estimate.

Here it should be noted, however, that real efforts will be made to root out and discourage malingering and that the experience of the thirties is no guide. For then, there was no unemployment insurance and men who were out of work and deprived of income were at once adversely affected from a physical and mental standpoint and, at the same time, came to look upon the receipt of private disability benefits as a way out of their tragic situation.

Our people are now better protected than they were during the great depression. Because of unemployment insurance, their income does not stop when their job ceases. This relieves the temptation to use disability benefits as protection against unemployment, while it also lessens the danger of psychosomatic sickness.

Probably a major reason for the difficulties of private companies with disability insurance was the problem of writing into contracts language which would cover all possible cases of disability. However, this problem does not arise with respect to this legislation, because the determination as to disability is an administrative one. Experience with the disability freeze indicates that the determination of disability can be tough but fair.

Dr. Myers' estimates are conservative because he assumes that the average earnings per covered worker will continue to be the same as in 1954. This is a proper assumption for an actuary to make.

At the same time, we know it has not been true in the past and that there is little likelihood that it will be true in the future. Weekly earnings are, instead, nearly twice what they were in 1945, and between 3 and 4 times what they were in 1935, when the Social Security Act was launched. Even if the price level were to remain constant, the increase in per capita productivity and, hence in average money earnings, will in all likelihood send up the total amounts taken into the system by not far from 2 percent a year. Since benefits paid out under these conditions do not increase as rapidly as total contributions, a large further margin of safety is built into the system. Due to the fact that while benefits are 55 percent of average earnings up to $110 a month, they are only 20 percent of earnings above that figure.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield.

Mr. LONG. I believe the Senator has outlined what the cost of this program would be.

Mr. DOUGLAS. According to Dr. Myers' estimate, forty-two one-hundredths of 1 percent of covered payroll on a level premium basis.

Mr. LONG. When the program goes into full effect for those who are disabled, after they have achieved eligibility over some period of time, there will be some increase in the cost of the program.

Mr. DOUGLAS. That is right.

Mr. LONG. But from that point forward, there is no reason to believe that the cost of the program will increase.

Mr. DOUGLAS. That is right.

Mr. LONG. Because there will not be an increase of disabled persons, on a percentage basis.

Mr. DOUGLAS. That is correct.

Mr. LONG. Therefore, when we shall have assumed the normal case burden of disabled persons, the number could not be expected to increase, as would be the case with the aged.

Mr. DOUGLAS. The percentage will not increase relative to the working population.

Mr. LONG. The percentage of persons disabled will not increase, as would be the case with the aged, because it is expected that persons will live longer and longer. For that reason, there will be an increasing number of people over the age of 65. However, that situation does not apply to disabled persons, and there is no reason to believe, after the normal caseload is reached, that there will be an increase percentagewise in the number of disabled.

Mr. DOUGLAS. That is right.

We should not be afraid, therefore, of financing the benefits by an additional tax of one-quarter of 1 percent upon employers and employees alike on earnings up to $350 a month or $4,200 a year, and three-eighths of 1 percent upon similar earnings of the self-employed. If added contributions are needed, labor at least would be ready to foot its share of the bill. For the A. F. of L. and the CIO, at their first joint convention, adopted a resolution pledging themselves as follows:

> We continue also our full support of the increased contribution rate necessary to keep social security soundly financed when these increased benefits are provided.

With this, the last objection to providing disability benefits should disappear.

I ask unanimous consent that the entire resolution be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, there is still another factor. The introduction of insurance benefits for disabilities of persons over the age of 50 will not immediately decrease by very much assistance or welfare payments for those handicapped, because it will take time to build up eligibility. However, as the system comes to cover more and more people, it should reduce the assistance payments. Those assistance payments are paid for entirely by the taxpayers, partly by the taxpayers of the Federal Government, and partly by taxpayers of the State governments. So that what would otherwise be a tax burden would be reduced in some degree by the substitution of the insurance benefits for the assistance payments, and the insurance benefits would be jointly contributed by employer and employee on a self-respecting basis for the purchase of insurance and not for a charitable handout.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield.

Mr. LONG. Persons in the upper income brackets should welcome the program, because they make the major tax payments. Some of the general revenues into which go payments for income, corporation, and inheritance taxes all help to pay for the cost of welfare payments. That being the case, they could expect to have some relief, insofar as concerns the taxes they pay on corporate and personal income.

Mr. DOUGLAS. The Senator is correct.

Mr. LEHMAN. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I shall be glad to yield.

Mr. LEHMAN. Is it not a fact that all those persons who would be covered under the George amendment at age 50,

rather than at age 65, have been members of the system of social-security insurance?

Mr. DOUGLAS. Yes; that is true.

Mr. LEHMAN. Some of them have been members of the system for a great many years.

Mr. DOUGLAS. Yes. In order to meet the eligibility requirements under the George amendment, persons must have had a large amount of prior employent under the system—at least 5 years of covered employment.

Mr. LEHMAN. What I cannot understand is the argument which has been raised that the proposal to pay disability insurance at a certain age is something entirely new, that it is something that is socialistic. As a matter of fact, many insurance companies pay disability insurance at certain ages, even though the insured persons may be younger than 65 years of age. Under the policies of some insurance companies, they pay disability insurance at any age. There is nothing new or socialistic about the proposal in any way. It is a system which has been recognized by insurance companies as far back as I can recall.

Mr. DOUGLAS. This is simply a better method of protecting against great risks than the method which the majority of the people can obtain for themselves.

Mr. LEHMAN. That is correct.

Mr. DOUGLAS. May I say in conclusion that the time is ripe for us to take the next forward step in social security, and to insure against severe, crippling, and long-continued disability for those over 50.

This will be an investment in self-respect. It will not cost much—probably less than one-half of 1 percent of payroll.

Those who object to it are, in the main, those who have opposed each previous step in social security. The fact that their past fears have been proved to be largely groundless should prevent our being frightened by their present claims.

I regret that the administration has seen fit to oppose this proposal.

I regret that the Secretary of the Department of Health, Education, and Welfare, for whom personally I always entertain a high opinion, should have seen fit to appear on the last day of the hearings and to make a very vigorous statement in opposition to the proposal.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. I would imagine that if the administration were to succeed in defeating the proposal, assuming the same administration should continue in power for a while longer, the same proposal may be sent down in an administration bill. The administration witnesses testified in such a way that they left the door open so that they could make their own proposal later on, after they had succeeded in defeating the proposal made in a previous Congress.

Mr. DOUGLAS. That may be the politics of the administration, but it is not the politics of the Senator from Illinois. If the administration were to come forward with a proposal to help mankind, I would support it even if it originated with the administration. And I think it is poor policy to oppose a proposal simply because it comes from the Democrats.

Mr. LONG. The Senator from Illinois has had outstanding experience to qualify on the subject he is discussing. That is why I am particularly happy to have him as a member of the Finance Committee, which handles social-security matters. However, the Senator from Illinois was not a member of the committee at the time hearings were held on the bill.

I think if the Senator will review the statement of Secretary Hobby last year, when she was Secretary of the Department of Health, Education, and Welfare, he will find that she urged that we ought to think about the subject, study it, and mull over it a while, notwithstanding the fact that the subject has been studied for almost 20 years.

The Senator will further find that Secretary Folsom's testimony this time was that we should study the matter, see what experience will yield, and eventually they might consent to doing something like this, although he himself was a member of the very group which studied the matter in 1948. He had 8 years to think about it, after that very group made its recommendation.

Mr. DOUGLAS. The Senator from Louisiana has brought to mind some memories of my own, because I was a member of the group set up by the United States Senate and the Social Security Administration in 1938 to study the social-security law. Of course, I was not a Member of this body at that time. Mr. Folsom was a member of the same group with me. I liked him. I still like him very much, as a matter of fact. We held meeting after meeting. We decided to recommend benefits and insurance for survivors; and we debated the question of disability benefits. I do not remember whether he was for them or against them. I know I was for them, although I had great desire to tie them up with rehabilitation and to prevent malingering. This subject has been studied by official bodies for at least 18 years. Secretary Folsom was a member of the 1938 committee, and he was a member of the 1948 committee. In 1948, I was engaged in some other matters—in trying to get elected to this body. So I was not a member of that group. But certainly there has been ample time to study it.

Mr. LONG. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Illinois yield to the Senator from Louisiana?

Mr. DOUGLAS. I yield.

Mr. LONG. If the Senator from Illinois was not a member of the 1948 committee, perhaps he would not know about this matter. But my information is that in the 1948 committee, out of a 17-man group, 15 members recommended that the time was ripe, and that disability insurance should then be proceeded with. Mr. Folsom and one other member at that time said it should be thought about and studied longer—although he had been studying it for at least 10 years.

Mr. DOUGLAS. That is correct.

Mr. LONG. Does the Senator from Illinois remember the name of the other member of the committee who took that position?

Mr. DOUGLAS. I think it was Albert Linton, then president, and now chairman of the board, I believe, of the Provident Mutual Insurance Co.

Mr. LONG. That is correct. And back in 1948, Mr. Folsom wanted to study the matter further. However, these needy persons will be dead long before the study is completed, if we proceed at the rate Mr. Folsom and others like him have suggested.

Mr. DOUGLAS. I wish to say that although I think Mr. Folsom is wrong on this matter, I have known him for almost 30 years, and he is a high-minded person and a rather socially minded person. But he is extremely cautious. If we had to depend on him, I believe that no new steps would be taken during the life of any of us. He will administer very well the programs which have been decided on, but he is never found launching out into bold new programs.

Mr. LONG. The chances are that if we had had to proceed on the basis Mr. Folsom prefers, we never would have had any program such as this one.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. First, I wish to commend the senior Senator from Illinois for his remarkably fine work in the field of social security. As the Senator from Louisiana [Mr. LONG] has said, the record of the Senator from Illinois in this matter is one of years of study and of great understanding in this area of important social-welfare legislation.

I should like to call the attention of the Senator from Illinois to the fact that although Mr. Folsom, for whom I, too, have respect and admiration——

Mr. DOUGLAS. And he is a great improvement over his predecessor in the Office of Secretary of Health, Education, and Welfare.

Mr. HUMPHREY. Yes, there is no doubt of that. But although Mr. Folsom was engaged in studying and studying, in postgraduate course after postgraduate course, I think one must recognize that Mr. Folsom was not really one of the mainsprings or one of the big wheels in the Republican organization, as such. Mr. Folsom represents the study side of the administration. But the Republican Party never did study this matter. Instead, the Republican Party opposed it, and just said, "No," from the very beginning.

So, really, it is quite a concession from the Secretary of Health, Education, and Welfare that he even would say publicly that he is studying these things.

Mr. Folsom is an enlightened man; and I was delighted when he became Secretary of Health, Education, and Welfare. But everyone knows that any program that a department submits to Congress has to be the President's program, and is worked out through the Bureau of the Budget and the White House

organization, with its special assistants and advisers in and out of Government; and Mr. Folsom is doing what the President's program calls for. The President's program in regard to social security is to study, but to oppose lowering to age 62 the eligibility for benefits for women; to study disability; but not to do very much about rehabilitation.

I wish to concur in what my colleagues have said here in regard to rehabilitation. I am interested in this matter, and my record will bear out what I am saying. I have spoken several times in the Senate in advocating the appropriation of funds for rehabilitation work and rehabilitation facilities, and in favoring that one of our public-health laws be amended so as to provide funds for rehabilitation facilities.

One of the best rehabilitation centers in America is located at the Mayo Foundation at the University of Minnesota Medical School. Dr. Kottke is in charge of it, and is associated there with Dr. Frank Krusen, one of the outstanding rehabilitation experts in the country. I have the greatest respect for these two gentlemen. They are friends of mine, and I admire them.

But let me make it crystal clear that—as has been stated here—I have not witnessed any militant effort on the part of the administration or on the part of the medical profession to fortify the rehabilitation programs with the facilities and authorizations and appropriations which are required for this program.

Mr. DOUGLAS. The Senator from Minnesota is quite correct.

Let me say that a good part of Mr. Folsom's niceness can be attributed, I think, to the fact that he grew up in Georgia, and therefore presumably came from Democratic parentage, and thus had a good start in life, and has been traveling for some time on the accumulated moral energy furnished to him by the Democratic Party. However, his basic decency has suffered some erosion from contaminating contact with the present administration. I suggest that on this issue he "get his batteries recharged."

Mr. LONG. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG. When it is stated that the Republican Party is opposing this program, attention should be called to the fact that the time element is involved, inasmuch as the Republican Party is not only opposing the program now, but has been opposing it for a great number of years. Not only has the Republican Party for a long time been opposing the proposal to make adequate provisions for those who are disabled, but the majority of the Republican Party has also been fighting proposals to increase the welfare payments to the needy, the blind, and the aged.

The Republican administration has been fighting the proposal to lower the retirement age for women. The administration has been fighting that proposal bitterly, and has been using every device it could to defeat it.

However, I am confident that if the bill is passed, the President will sign it; and then, when he runs for reelection, he will say it is one of the great accomplishments of his administration. I am as sure of that as I am certain that I am now standing on this floor.

I recall that when, 2 years ago, we reduced the excise taxes, the Eisenhower administration resisted that reduction, and did everything it could to prevent it and defeat it. However, Congress passed the bill, notwithstanding the administration's opposition; and then the President signed the bill. That was the only tax reduction made during the Eisenhower administration—out of the entire $7 billion of tax reduction—that did the average workingman any good whatever. But after Congress insisted that that reduction be made, the President began to attempt to take credit for making it.

Since then, whenever we have said that the billions of dollars of tax reduction made under the Republican administration did not help workingmen of the country, some Republican Senator has immediately jumped to his feet and has referred to this excise-tax reduction that the Congress insisted upon, over the opposition of the administration; Republican Senators have said that it was proper for the President to take credit for that reduction in excise taxes, because the President signed the bill.

Mr. DOUGLAS. Mr. President, the Senator from Illinois recalls very well that situation. He proposed the cut in the tax on household appliances. That proposal was bitterly opposed by the administration but there was a little break in the otherwise solid front on the other side of the aisle, and we succeeded in having that bill passed and enacted into law. But then, when the Senator ran for reelection, he found that in the literature the opposition party distributed, the opposition party claimed credit for itself—for the Republicans—for that reduction in the excise tax on household appliances.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. The Senator from Illinois will recall that when the bill was passed, there was colloquy between the Senator from Illinois and the Senator from Minnesota; and even though the bill was then referred to by the Secretary of the Treasury as "fiscal irresponsibility," at that time both of us said—just as the Senator from Louisiana has stated now—that "Now that the bill has been passed, we can be sure that the Republicans will claim it as their own, will pull it to their bosom, will hug it and love it, and will say, 'This is ours.' "

Mr. President, that is exactly what happened—even though prior to that time the attitude of the Republican candidate for the Presidency and the attitude of the Republican Party was consistently one of opposition to everything related to social security; and their position regarding it was entirely one of adverse comment and negative statement and negative approach. They said it was collectivism and socialism and that it would wreck the private insurance companies and would undermine the moral fiber of the people.

But then, all at once—when the program did work, and when it was found that the funds were adequate, and that the program was solvent, and that the benefits were proving to be of help to both individuals and insurance companies, and the national economy—the Republican leadership began to say, "Yes, this is a fine program, something we have been working for for years."

Mr. President, that situation reminds me of a man who refused to acknowledge his parentage of a little boy, and simply had nothing to do with the boy for his first 6 years. Then the boy went to school, and did very well, and then went to high school, where he continued to do very well as a student; and also did very well as an athlete, and made the football team and made the basketball team; and became valedictorian of his class, won a scholarship, and went to college, where he also did very well, made the college football team and made the basketball team, and made "All American," and graduated from college with honors. Then, all at once, out of the catacombs came his father, then on old man, and—although for more than 20 years he had denied being the father of the young man—suddenly said, for the first time, "That's my boy," and pointed to him with pride.

That is what the administration has done in this case. For 20 years the administration opposed this program and used every means at its command to thwart it. But during those 20 years we worked hard and made great sacrifices for the program, and the political bodies of those who fought for it have been piled high, so to speak. But now, all of a sudden, after 20 years of constant opposition to the program, the Republicans step forward—handsome, well dressed, looking affluent——

Mr. DOUGLAS. In fact, they are affluent.

Mr. HUMPHREY. Yes, indeed, Mr. President; they are very affluent. [Laughter.] And now the Republicans say—for the first time—"This is a fine program, and it is sound and solvent"—except when something new is tried.

I think it fair to say that if, during all the years which have passed since the early days, it had been necessary to rely upon the Republicans, insofar as determining the shape of the world was concerned, today we would not have round globes to show the shape of the world; but, instead, it would still be said that the world was flat. [Laughter.]

Mr. DOUGLAS. Let me say, in reply to the comments of the Senator from Louisiana and the Senator from Minnesota about the reversal of the position of Republicans on social security, that I think we all remember very well the trip which the then Gen. Dwight D. Eisenhower made to Texas in 1949, when he was entertained by a great many wealthy Texas oilmen. Upon one occasion he made the statement that if anyone wanted social security he should go to jail.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. I believe the statement was that if anyone wanted security he should go to jail. However, I believe that statement was generally interpreted

as referring to the social security type of program. It was widely hailed by many vigorous opponents of social security and public welfare as a great statement of principle.

Mr. DOUGLAS. Yes. I now have a copy of the New York Times article of December 9, 1949, which quotes him as saying, "If all that Americans want is security, they can go to prison. They'll have enough to eat, a bed, and a roof over their heads." Perhaps he should have added, "Or go into the Army."

At the time I felt that that statement was not worthy of the general. Of course, that position has since been reversed. I regret to find the administration opposing the extension of this same principle to the field of disability.

Mr. President, I have only a sentence left to complete my speech.

I may be quite naive, but I simply cannot believe that the spokesmen for the administration really want to shut the gates of mercy on mankind. I hope that this discussion and that which is to follow may serve to change their opinion, and that we may adopt the George amendment by a resounding vote when it comes up.

The matters heretofore referred to are as follows:

ELIGIBILITY FOR DISABILITY

To be eligible for the "freeze" of benefits because of disability the person has to meet two requirements with respect to coverage:

1. He must have 20 quarters of coverage out of the last 40 quarters (5 years out of 10) ending with the quarter in which disability began.

2. He must have 6 quarters of coverage out of the last 13 quarters (1½ years out of 3¼) ending with the quarter in which disability began.

Since the freeze is retroactive, a person whose disability began (as early as the fourth quarter of 1941) 5 years after the effective date of the act (1937) is eligible if he met the two requirements. For example: Mr. A worked in covered employment throughout the years 1937, 1938, 1939, 1940, and 1941. He is found to have become disabled in December 1941. He meets both requirements as to coverage and is therefore eligible for the freeze of benefits at the level of December 1941.

Mr. B worked in covered employment throughout 1937, 1938, 1940, and 1941. Throughout 1942 and 1943 he was either ill or working in employment that was not covered. He worked again in covered employment throughout 1944, but became disabled at the end of 1944. He had 20 quarters of coverage out of the previous 40, but had only 5 quarters of coverage out of the last 13, and therefore would not be eligible for the disability freeze.

Mr. C worked in covered employment throughout 1940 and 1941. He then had a heart attack which kept him out of work during 1942 and 1943. He recovered sufficiently to return to work throughout 1944 and 1945, but then suffered another heart attack and has not since been able to work. He would have 8 out of the last 13 quarters of coverage, but only 16 out of the last 40, and would therefore not be eligible for the disability freeze.

The same rules would apply at any period. These early examples were used to show how far back the freeze goes.

The requirements for eligibility for disability payments under the House bill are the same as for the present freeze with two additions:

1. Payments do not begin until age 50.

2. The beneficiary must be fully insured.

In both the freeze and the payment plans a 6-month waiting period is required.

Fully insured status may be acquired by having 40 quarters (10 years) of coverage or by having one quarter of coverage for each two quarters elapsing after 1950 or after the quarter in which the individual became 21 years of age, in other words coverage for half of the time. (The quarters of coverage may be acquired either before or after 1950.) Fully insured status can also be acquired by being covered in every quarter elapsing after 1954. In all cases a minimum of six quarters of coverage is required for an individual to be fully insured. Any person who is fully insured at the time he is determined to be eligible for the disability freeze has his fully insured status frozen, and at age 50 he would be eligible for disability payments.

Until 1961, any person who met the 20 quarters (5 years) of coverage requirement for disability payments or the freeze would automatically meet the fully insured requirement of coverage for half the time elapsing after 1950. Therefore all persons currently under the freeze (with an exception noted below) would be eligible for payments at age 50.

For example: Mr. D incurs a disability in December 1960, after working 5 years in covered employment. He meets the requirements for the freeze and he is fully insured because he was covered for 5 of the 10 years elapsing after 1950. He would therefore be eligible for disability payments at age 50.

Beginning with 1961, and until 1971, one additional quarter of coverage for each two quarters of elapsed time would be required in order to be fully insured. Beginning with 1971, 10 years of coverage would be required in order to be fully insured.

For example: Mr. E becomes disabled in 1966, after 6 years of covered employment. He would be eligible for the freeze, which would preserve his benefits until he was age 65, but he would not be eligible for disability payments at age 50 because he was not fully insured—he had only 6 years of coverage but needed 7½ to be fully insured (one-half of the 15 years elapsing after 1950). By 1971, and thereafter, he would need 10 years of coverage.

In the case of younger people, the requirement of coverage for one-half of the time elapsing after they became 21 years of age would apply. Thus, any person who acquired 5 years of coverage and became disabled before he was 31 years of age would be fully insured and eligible for payments at age 50. For example: Mr. F becomes disabled in 1980, at the age of 30, after working in covered employment throughout 1957–59. He is eligible for the freeze and is fully insured, having been covered for more than half of the time elapsing after he became 21. He would be eligible for disability payments at age 50.

However, if the disability did not occur until he was 41, he would need 10 years of coverage (one-half of the 20 years elapsing after he was 21) in order to be fully insured.

NOTE.—There is one small group of people under the freeze who would not automatically qualify for payments. The act defines blindness and makes this a disability for purposes of the freeze. However, to receive disability payments a blind person must demonstrate inability to engage in substantial gainful employment as must all others.

In 1950 and in 1954 amendments were adopted to the Social Security Act which substantially expanded coverage. Those people taken in under the amendments of 1950 become eligible for the disability freeze, and subsequently for payments, if they became disabled during the last quarter of 1955—that is the earliest date at which they could have acquired 5 years of coverage. For those taken in under the amendments of 1954, the earliest date at which they could become eligible is the last quarter of 1959.

The total number of workers in covered employment for selected years follows:

1940	35,393,000
1941	40,976,000
1946	48,845,000
1950	48,283,000
1951 (due to amendments of 1950)	53,100,000
1952	59,600,000
1953	61,000,000
1954	60,000,000
1956 (estimated) (due to amendments of 1954)	69,000,000

MEDICAL RELATIONS IN WORKMEN'S COMPENSATION: A GUIDE FOR THE EVALUATION AND IMPLEMENTATION OF A PROGRESSIVE PROGRAM BY THE MEDICAL PROFESSION

(Adoption by house of delegates, December 1955)

FOREWORD

Since its inception the Council on Industrial Health has maintained an active interest in workmen's compensation. In recent years a series of studies has made it clear that there is widespread dissatisfaction with current policies, programs and procedures. Those studies with special emphasis on medical aspects strongly suggest that present-day laws have not kept pace with advances in professional skill, technical knowledge and with substantial alterations in the political and socio-economic milieu. Official actions by the house of delegates of the American Medical Association, requests for assistance from State medical societies, and information developed through the council's own investigations have demonstrated a need for a guide by which physicians, individually and as organizations, can reassess their proper role in this important sphere of medical service.

In formulating these guides, thoughtful consideration has been given to the views of recognized authorities and to representatives of many agencies whose interests are closely identified with workmen's compensation. Of special value was the session on workmen's compensation at the 15th Annual Congress on Industrial Health in January 1955. At that time statements on the essentials and goals of a modern program were presented by spokesmen for labor, industry, law, medicine, and administrative bodies. The Council on Industrial Health acknowledges with sincere appreciation assistance and encouragement received from these sources.

The preparation of this report has been the work of the Council's Committee on Workmen's Compensation and Rehabilitation made up of the following members: Drs. Henry H. Kessler, chairman, Newark, N. J.; Lloyd E. Hamlin, Chicago; Rutherford T. Johnstone, Los Angeles; E. S. Jones, Hammond, Ind.; and O. A. Sander, Milwaukee. Special thanks are due to Earl D. Cheit, St. Louis; Bernard Hirsh, law department, Chicago; James J. Reid, Columbia, S. C.; and Herman M. Somers, Haverford, Pa.; consultants who participated actively in the various stages of investigation and preparation.

THE MEDICAL PROFESSION'S INTEREST IN WORKMEN'S COMPENSATION

The workmen's compensation program in the United States was adopted primarily to meet certain needs of employees or their survivors resulting from disability or death of an employee arising out of and in the course of employment. In general, the program sought to remedy inadequacies stemming from common law and employers' liability statutes by providing laws based upon the principle of insured liability without regard to fault on the part of either employee or employer. Of primary concern was the provision of cash payments to replace a portion of wages lost by disabled employees. Little or no consideration was given to the

provision of medical care for occupational disabilities. Under the Federal, State, and Territorial laws enacted between 1911 and 1948, the major emphasis of the various systems and their administration has continued to be on monetary satisfaction of liability, with insufficient attention given to the rehabilitation of the occupationally disabled.

Substantial progress has been made in the extension of medical care, the application of improved clinical techniques and other aspects of the rehabilitation process, including vocational training and selective placement of the disabled in kinds of work suited to physical and emotional capacity. It is a matter of great and growing concern that a considerable gap exists between potential services to the occupationally disabled and what is actually available to them.

In any event, many physicians have been deterred from widespread and active participation in workmen's compensation affairs. They are largely unaware of the significance of medical and economic policies under these laws and the undesirable and often harmful effects of existing systems. Whatever the causes the attitude has been short-sighted and unwise to the end that not only workmen's compensation laws but other similar laws in related fields of social security are and have been formulated largely without medical consultation or any clear identification of medicine's primary interest. The predominance which economic considerations have come to occupy in both the professional and administrative aspects of workmen's compensation is a natural consequence. These same considerations have led to a concentration of professional services and responsibility in a few and not always the best hands. The Council's studies and others call attention to the need for critical appraisal of medicine's past record of performance and its present opportunities for the implementation of new and creative concepts (1).

The Council on Industrial Health is convinced through its consideration of the findings in this report that physicians have a duty and responsibility, both as members of professional organizations and as citizens in an industrial society, to improve the lot of the occupationally disabled. The several recommendations contained herein are presented with that purpose in mind.

GOALS OF WORKMEN'S COMPENSATION

The basic goals of workmen's compensation today are:

1. Rehabilitation of the occupationally disabled;

2. Assured, prompt and adequate indemnity for the occupationally disabled or their survivors;

3. Minimal cost to employers and society commensurate with the above provisions.

IMPLEMENTATION OF THESE GOALS

The essential elements in the implementation of these goals from the medical point of view are described in the following sections of this report. Actually, sustained cooperative effort by all individuals and groups concerned with the welfare of the occupationally disabled are essential to success.

REHABILITATION OF THE OCCUPATIONALLY DISABLED

Rehabilitation implies the effective use of all disciplines and skills dedicated to the conquest of disability. Aside from great benefit to the disabled, their families and to society, current experience has amply demonstrated that the provision of rehabilitation services results in substantial savings in both medical and indemnity costs, just as the development of medical care provisions has resulted in savings in indemnity payments.

The establishment of workable rehabilitation programs calls for specific statutory provision; planned and improved cooperation from the medical profession; and intelligent, forceful administrative supervision.

1. Statutory provision. Periodically, workmen's compensation legislation and rulings come up for review. To implement a proper rehabilitation program the medical profession should seek adoption of statutory provisions that recognize these points:

(a) Rehabilitation of the occupationally disabled is the intent and responsibility of the compensation system and the legal right of the employee.

(b) The disabled employee is entitled to all services, appliances and supplies required by the nature of his disability or the process of his recovery and that will promote his restoration to or his continuance in employment. Services include medical, surgical, dental, hospital, and nursing attendance and treatment, as well as the training necessary to rehabilitation. Appliances and supplies include medicines; medical, surgical and dental supplies; crutches; artificial members; and apparatus. Services, appliances and supplies are to be paid for by the employer under the supervision of competent professionals responsible to the administrative agency.

(c) In the absence of stipulated agreements, professional fees should approximate those that would be charged the employee as a private patient for similar services.

(d) Disabled employees should have the right to accept physicians' services provided by employers, or to select another attending physician from a register of all other physicians in the community willing and qualified to perform the essential services (2).

(e) Vocational counseling, training, transitional employment and placement services require prompt analysis of problems, efficient screening, and referral and follow-up techniques to assure proper training and results. Effective supervision of these services in public or private facilities requires prompt reporting of occupational disabilities to the administrative agency.

(f) When necessary administrative procedures for such a system of rehabilitation of the occupationally disabled do not exist, or when adequate facilities are not readily available, steps should be taken to provide them.

2. Planned cooperation from the medical profession: Successful operation of a workmen's compensation system depends increasingly upon the medical profession. Although the administrative agency has the ultimate responsibility by law, medical care is the core of the system and physicians play a major role.

Every year hundreds of thousands of the occupationally disabled depend upon physicians for care and guidance from the beginning of disability until they return to gainful employment and even beyond. Physicians are also responsible indirectly for the payment of a substantial portion of their patients' income during disability. Compensation payments amounting to many millions of dollars annually are based upon reports and, in disputed cases, upon testimony provided by physicians.

The medical profession in each workmen's compensation jurisdiction can best fulfill its responsibilities by providing a broadly representative committee to advise the administrative agency on medical policies and practices and to assist in the operation of the systems in the following ways (2):

(a) The committee should prepare and submit at stated intervals to the administrative agency appropriate information for its use in establishing a register of physicians who are willing and competent to accept calls for services to the occupationally disabled. Regulations governing enrollment on the physicians' register should be established by the administrative agency after consultation with the medical advisory committee.

(b) It should mediate, if possible, complaints that a physician has neglected or refused to furnish reasonably necessary reports in accordance with general orders of the administrative agency.

(c) It should mediate, if possible, complaints of unreasonable interference with matters properly within the discretion and control of the attending physician.

(d) It should mediate, if possible, differences that may arise relative to remuneration.

(e) Claims of violation of medical ethics should be reviewed and relevant facts referred to the appropriate agency.

(f) Complaints should be heard about the competency of those serving on the physicians' register and recommendations made to the administrative agency concerning the removal of names therefrom, if complaints are justified.

If the advisory committee is unable to function promptly, the administrative agency should take appropriate action within the powers vested in it by law.

The medical profession should join with the administrative agency in sponsoring educational programs for all concerned on clinical and administrative problems in the compensation system. Other joint activities should include the development of proper medical report forms, desirable legislation to improve the workmen's compensation system and its administration, and handbooks for physicians.

3. Role of individual physician: The primary obligation of the individual physician is to see that his patient is restored as nearly as possible to the economic and personal effectiveness which he possessed before he was disabled. This requires not only competent and impartial medical care but also that the physician use or recommend the use of other technical skills and resources available, whether in the community or not.

Physicians who wish to receive calls for service to the occupationally disabled should be prepared to assume duties and obligations which are not encountered in private practice. The best interests of the disabled patient will be served in the following ways:

(a) Concise, accurate information and reports descriptive of the disability should be furnished promptly and to the same extent to the patient or his dependents, the employer, the workmen's compensation insurance carrier and the administrative agency.

(b) Testimony should be given before the administrative agency upon reasonable notice. The physician's testimony must adhere to reasonable scientific deductions regarding the injury, disease, or possible sequelae to the end that every deserving claim receives just consideration.

(c) Consultation should be requested in case of serious illness, especially in doubtful or difficult conditions, and agreement given for consultation with mutually acceptable physicians when requested by one of the interested parties. Effective rehabilitation goes beyond accurate diagnosis and expert treatment. Although the attending physician should remain in charge, he must embrace the modern concept of teamwork in the rehabilitation process. Physicians should not only cooperate with each other but also collaborate with the whole team of paramedical workers to assure maximum rehabilitation.

(d) Determination should be made by scientific methods and upon the basis of objective measurable factors of the permanent anatomic or functional impairment of a specific member or of his patient as a whole as compared to normal. From the medical standpoint, permanent anatomic or functional impairments cannot vary because of geographic locations or circumstances under which they were incurred. Therefore, the physician should determine the percentage of permanent impairment without regard to age, sex, occupation or real, presumed or potential wage loss. The application of these and all other factors provided by law to the

percentage of permanent impairment established by the physician is the responsibility of the administrative agency in determining the indemnity award. In general, physicians are no more qualified by experience or training to evaluate such factors than any other disinterested individual.

4. Administrative supervision: Rehabilitation of the occupationally disabled requires a competent administrative agency with full statutory authority and responsibility.

The administrative agency must have more than adjudication and appeals functions; it must have an affirmative duty to see that the intent of the law is carried out. It may delegate functions, but it cannot abdicate responsibility. Proper discharge of this trust requires adequate resources in terms of qualified, permanent, professional personnel and proper facilities.

Duties should include supervision of the rehabilitation process and indemnity payments for permanent disability during and following the maximum rehabilitation of the disabled employee.

To assist in the administration of the law, the agency should seek the advice and active cooperation of appropriate professional, private and public organizations.

The administrative agency should have a medical director, approved by the medical profession, and a qualified vocational counselor. As staff officers, they should be in charge of the administration of appropriate provisions related to the rehabilitation of the occupationally disabled and should participate in such policymaking deliberations of the agency. They should have the full support of their superiors and constantly strive to provide leadership and promote effective professional relations in their fields through the maintenance of approved professional standards and practices.

INDEMNITY

The physician's interest involves recognition that the amount and method of indemnification have a direct and important bearing on an effective rehabilitation regime. While overgenerous indemnity can dull the will for rehabilitation, inadequate indemnity requirements can destroy an employer's incentive to support rehabilitation by providing him with an easier or cheaper alternative. More important, inadequate indemnity can lower patient morale or force return to gainful employment in advance of clear-cut medical indications.

In view of these relationships, it is consistent for the medical profession to support methods of indemnification which contribute to, rather than obstruct, rehabilitation procedures. Certain factors merit consideration:

1. Inadequate cash indemnity encourages "lump-summing" of payments, which tends to interfere with rehabilitation motivations. The practice should, therefore, be limited to instances where dependable evidence supports the contention that such a payment would contribute to the overall rehabilitation of the employee. Problems of paying for legal, medical, and other services should not influence the determination of whether a lump sum should be allowed.

2. Workmen's compensation is not a relief program. It is the proper intent of the program that a disabled employee and his family should not suffer a serious reduction in normal living standards during the rehabilitation period. This requires that the benefit level be maintained at an adequate percentage of usual wage and include reasonable personal expenses incurred by the employee in the course of the rehabilitation process.

3. Effective rehabilitation can drastically reduce the number of permanently disabled employees which now constitutes the heaviest burden on workmen's compensation systems. Physicians interested in a rehabilitation program acceptable to permanently disabled employees recognize that attempts to relate indemnity payments solely to loss of earnings is impractical and unscientific. While it is not the purpose of workmen's compensation to indemnify all individual consequences of a disability, such as pain, suffering, and humiliation, the employee's right to personal effectiveness is not confined to employment or a limited period of time. Personal motivation to maximum rehabilitation can be hindered by complete deprivation of indemnity for permanent anatomic or functional impairment, whether it be a member or an organ of the body. Therefore, indemnity for permanent disability should be related to the employee's permanent impairment of earning capacity—in effect the anatomic and functional handicap incurred in working for a given employer. Maximum rehabilitation should be encouraged, and to this end the award for permanent disability should be based upon the effect of such a handicap on the earning capacity of the average employee so as not to penalize a disabled employee for exercising individual initiative.

4. The administrative agency should have continuing jurisdiction of these cases and indemnity payments should be subject to review whenever evidence is clear that the original evaluation of permanent impairment of earning capacity was in error.

5. Various methods of compensating employees with preexisting permanent impairments have been devised. Most commonly the impairments must involve loss of a member that, combined with a subsequent injury, results in permanent total disability. In these cases liability is apportioned generally between the employer at the time of subsequent injury and a State fund established for this purpose. In recent years increasing consideration has been given to cases where the preexisting condition is an organic disease that, combined with a subsequent injury, results in increased or total permanent disability. While the medical complexities alone of this problem are apparent, intensive study is currently being given to the equitable resolution of the whole problem when:

(a) Further decrease in earning capacity or death of these employees can be clearly established on the basis of responsible scientific knowledge to be casually related to their employment; and

(b) Such casual relationship cannot be so established.

CONCLUSION

The Council on Industrial Health wishes to emphasize again the importance of participation by physicians, individually and collectively, in a critical appraisal of medicine's past performance and its present opportunities for the implementation of new and creative concepts in workmen's compensation. Requests for additional information and assistance should be addressed to the Council on Industrial Health, American Medical Association, 535 North Dearborn Street, Chicago 10, Ill.

REFERENCES

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2. Physicians and the Workmen's Compensation Act, Wisconsin (M. J. 54: 77, January 1955; Agreement on Panel Practice (ibid. 54: 84) January 1955).

STATEMENT BY THE AFL–CIO EXECUTIVE COUNCIL—PROPOSED AMENDMENTS TO THE SOCIAL SECURITY ACT

The Senate now has before it for action a measure that is of greater and more immediate significance to millions of Americans than any other that may be acted upon by this Congress—the proposed amendments to the Social Security Act. The most important of the amendments that will be considered would provide for the payment of benefits to persons at the age of 50 who become totally and permanently disabled and would reduce the retirement age for women from age 65 to age 62.

These provisions, which were the key features of the bill (H. R. 7225) passed by the House last year by a very large majority, were deleted by the conservative majority in the Senate Finance Committee. We deeply appreciate the effort led by members of this same committee to restore these provisions on the floor of the Senate. It is now up to the Members of the Senate as a whole to demonstrate their concern for the welfare of disabled workers, older workers and their wives and of workingwomen who suffer discrimination in the search for employment because of their age, by voting to restore these vital provisions to the Senate bill. This is the most important, and perhaps the only, opportunity that Senators will have this year to record themselves for or against a step toward the fulfillment of the modest hopes and most pressing needs of this deserving group of citizens. Millions of Americans will be watching the outcome with keen personal interest.

We strongly urge each Member of the Senate to record himself on the human side of this issue by voting to restore the disability benefit feature and the reduced retirement age for women to the bill that is now before that body.

We continue also our full support of the increased contribution rate necessary to keep social security soundly financed when these increased benefits are provided.

EXECUTIVE SESSION

During the delivery of Mr. DOUGLAS' speech,

Mr. JOHNSON of Texas. Mr. President, will the Senator from Illinois yield, so that I may request consideration and confirmation of some Republican postmaster nominations?

Mr. DOUGLAS. Certainly. I would ask that the proceedings in connection with the executive session be printed in the RECORD following the conclusion of my remarks.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Illinois may yield to me, in order that I may request that the Senate proceed to the consideration of executive business, to consider the postmaster nominations on the Executive Calendar; and with the understanding that the proceedings in that connection shall be printed in the RECORD following the remarks of the Senator from Illinois; and with the further understanding that he will not lose the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of executive business.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Labor and Public Welfare.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

David A. Hamil, of Colorado, to be Administrator of the Rural Electrification Administration, vice Ancher Nelsen, resigned; and

Glen A. Boger, of Pennsylvania, to be a member of the Federal Farm Credit Board, Farm Credit Administration.

By Mr. DIRKSEN, from the Committee on the Judiciary:

William G. Juergens, of Illinois, to be United States district judge for the eastern district of Illinois, vice Fred L. Wham, retired.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the postmaster nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations will be considered en bloc; and, without objection, the postmaster nominations are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith of the confirmations of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of legislative business.

AMENDMENT OF INTERNATIONAL CLAIMS SETTLEMENT ACT

Mr. HUMPHREY. Mr. President, out of order, I introduce and send to the desk a bill to amend Public Law 285 of the 84th Congress, H. R. 6382 of last year. The purpose of the new bill is to correct legislation heretofore enacted by the Congress by amending it so as to carry out the actual intent of the Congress last year. I ask that the bill be appropriately referred.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 4094) amending the International Claims Settlement Act of 1949, as amended, relative to reductions in certain Federal income and excess profits taxes, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Foreign Relations.

Mr. HUMPHREY. Mr. President, Members of the Senate will recall that we passed legislation amending the International Claims Settlement Act of 1949. The Senate Foreign Relations Committee was aware of the fact that if tax benefits are added to the benefits under the bill as written, it would be possible for some large corporate claimants to receive more in total benefits than was actually lost abroad. At the same time some of the smaller claimants would not receive anywhere near the amount of money they lost in foreign countries. To correct this patently unfair and unsought-for effect, the Senate committee adopted an amendment which I introduced. The Senate saw fit to accept the amendment and it went with the bill to conference.

During our meetings the conference committee, of which I was a member, was informed by representatives of the Internal Revenue Service that the Senate's interpretation of the bill as it related to existing tax law was inaccurate. We were told that in fact it would not be possible for large corporate claimants to receive an amount larger than their actual loss by virtue of the operations of our tax laws. On the strength of those representations by the Internal Revenue Service, the conference committee agreed to drop the Senate amendment.

It is now unmistakably clear that the conference committee on H. R. 6382 was misinformed by an official of the Internal Revenue Service. I am sure it was not intentionally misinformed, but there was some misunderstanding or some erroneous information. I am certain that the erroneous information was provided us unwittingly and that it was not the intent of the Department to mislead the Congress. The Department now seems to agree, however, that the information given to the conference committee was in error.

On February 25, 1956, I wrote to Secretary of the Treasury Humphrey outlining the situation and asking for his help in considering appropriate remedial legislation. I ask unanimous consent that my letter to the Secretary be inserted at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 25, 1956.

The Honorable GEORGE M. HUMPHREY,
Secretary of the Treasury,
Department of the Treasury,
Washington, D. C.

DEAR SECRETARY HUMPHREY: During the first session of the 84th Congress we enacted into law a bill to amend the International Claims Settlement Act of 1949. That bill is now Public Law 285.

While the bill was under consideration by the Senate Foreign Relations Committee I became interested in certain problems created by the fact that the total amount of claims will greatly exceed the amount of money available to pay them. It would seem, in particular, that claimants against the Ungarian Fund will receive compensation of less than 10 percent of their losses. As now written, however, the law fails to distinguish between the claimant who still bears the full burden of his loss and the claimant who may have cut his loss through a tax deduction by up to 92 percent. It was also called to my attention that as the law is now written some large corporate claimants may, if their net compensation under Public Law 285 is added to their tax benefits, receive more in benefits than they actually lost.

In the light of the foregoing I proposed an amendment which was adopted by the Senate Foreign Relations Committee and was passed by the Senate. It was, however, eliminated in conference. While a number of objections to the amendment were considered, I must say, in all candor, that an important factor in the rejection of my amendment was certain incorrect information supplied to the conference committee by the Internal Revenue Service. I am sure that this error was made inadvertently and resulted from the great pressure under which all of us were working during the closing days of the session.

When the conference report was adopted by the Senate, I announced that I expected to raise this question again at the second session and it is my full intention to do so. I still feel that a claims compensation program which pays compensation of less than 10 percent is hardly worth its name. Such a program is particularly objectionable if it closes its eyes to the fact that some claimants may have written off their losses while others have not.

I am not oblivious to the fact that my amendment raises certain administrative problems for your Department. I believe, however, that these problems can easily be minimized or entirely eliminated without affecting the basic purpose of the proposal. I think, therefore, that it would be helpful that my office consult with an official of your Department for the purpose of preparing appropriate language to carry out that objective. I would like to ask you, therefore, to designate such an official, who could meet with my counsel, Mr. Thomas L. Hughes, for the purpose of preparing the amendment.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. It is with great pleasure that I inform the Senate that Secretary of the Treasury Humphrey and the officials of the Treasury Department have responded to this set of events in a spirit of complete cooperation. Following that letter, a series of staff conferences have taken place which resulted in the Department furnishing me with a memorandum explaining the tax provisions which govern the bill passed by us. That memorandum fully agrees with my own understanding of the law as I expressed it to the Senate and to the conference committee last year. It proves the information given the conference committee by the Internal Revenue Service to be incorrect.

As a result of the cooperation by Treasury officials, a bill has been prepared which is readily acceptable to both the Treasury Department officials and to me. It is the bill which I have just sent to the desk. It would cure the defect which the Senate tried to correct last year and which the House of Representatives undoubtedly would wish to have corrected had we been furnished with accurate information in the conference committee.

I am pleased that a mutually agreeable approach has been reached on this matter, and I urge the Senate Foreign Relations Committee to take speedy action on this bill so that it may be enacted into law during the current session.

PROGRESS OF CONFERENCE ON FEDERAL-AID HIGHWAY BILL

Mr. JOHNSON of Texas. Mr. President, I should like to announce that I have been informed that the conferees have reached an agreement on the Federal-aid highway bill. I should like Senators to be on notice that there is a possibility that the conference report may be submitted to the Senate tomorrow.

Mr. CHAVEZ. Mr. President, I do not wish to misinform Senators as to the status of the road bill. We have agreed in principle in conference on every item. However, a meeting is scheduled for tomorrow morning at 9 o'clock to discuss certain language in the bill in which every member of the conference committee is interested. I am pretty sure that the conferees will be able to report tomorrow.

DEFINITION AND STANDARD OF IDENTITY OF CERTAIN DRY MILK SOLIDS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1614) to amend the act entitled "An act to fix a reasonable definition and standard of identity of certain dry milk solids", title 21, United States Code, section 321c, which were on page 1, line 3, strike out "numbered"; on page 1, line 7, strike out "for" and insert "that for"; and on page 2, strike out lines 6 and 7, and insert:

The term "milk" when used herein means sweet milk of cows.

Mr. HUMPHREY. Mr. President, I move that the Senate concur in the amendments of the House. Let me explain that the House amendments are technical and clerical. They are a matter of drafting. They make no substantive change whatever in the bill. The purpose of the amendments is clarification.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. POTTER. Is this a House bill?

Mr. HUMPHREY. No; it is a Senate bill. The bill was passed by the Senate, and the House accepted the Senate bill, but the drafting clerk of the House used different language. The amendments are clarifying, and are not substantive in nature.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

THE STATE DEPARTMENT'S SCIENCE ATTACHÉ PROGRAM

Mr. HUMPHREY. Mr. President, I have recently had occasion to comment on the Senate floor about the deterioration of the State Department's science attaché program. In the May 1956, issue of Geological Newsletter, issued by the American Geological Institute, an editorial was devoted to this subject.

The American Geological Institute is also, of course, greatly interested in the State Department's corps of mineral attachés. Critics have recently pointed out too, Mr. President, that in this field as well the distribution of the attachés is very sparse and bears very little relationship to our dependence on foreign mineral resources.

I ask unanimous consent that the editorial from the Geological Newsletter appear at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNITED STATES RECALLS SCIENCE AIDS

To be commended is President Eisenhower's move to establish on April 3 a National Committee for the Development of Scientists and Engineers. A group of outstanding Americans have been appointed to serve on this Committee. The National Foundation is to provide the President's Committee with staff services under the direction of Robert L. Clark as Executive Secretary. The Committee is charged with the task of stimulating greater educational efforts in the training of scientists and engineers to meet the ever-increasing demands of the modern era and to encourage a better understanding of science and technology by the general public.

To be condemned is the extreme shortsightedness of the President's United States Department of State for its policy with regard to science attachés. In mid-1952 the State Department had the impressive total of 10 science attachés in foreign service scattered sparsely among its many embassies and consulates. By January 1956 all science attachés had been recalled, so that at the present time the United States overseas arm has its scientific head in the sand. Furthermore, indications are that no effort is planned to remedy the situation. To make matters still worse, many of our top scientists feel that international travel restrictions imposed by the United States are curbing our advancement of science and technology.

The State Department is equally deficient in another area—that of mineral attachés. Despite the fact that our prosperity and future security are contingent upon vital supplies of minerals, such as oil, manganese, chrome, and many others, our policymakers continue to shape our future course abroad without the benefit of observation and interpretation by staff career men with mining and petroleum backgrounds. We have only five mineral attachés abroad today. It cannot be disputed that mineral endowment is a major factor in the destiny of any nation and that our highly industrialized economy would languish without the flow of ores and minerals from many sectors of the globe. Is it unrealistic to propose a well-trained corps of mineral specialists as foreign-service career officers to provide continuing mineral surveillance abroad for the United States, which in 1952 imported nearly $2 billion in mineral raw materials?

The apathy of our United States Department of State toward science is a matter of grave concern. The tremendous surge of the Soviets in the education of scientists and technologists has been much publicized. One prominent American scientist has pointed out the real danger of a Russian scientist surplus that can be exported to spread a scientific intelligence network throughout the world. The growing number of Russian scientists and technologists cannot be denied and we can ill afford to speculate disparagingly concerning their scientific abilities.

It could be that the State Department lacks confidence in its own abilities to delineate programs for and the staffing of worldwide corps of scientific and mineral attachés. Many scientists would hasten to agree. The State Department could scarcely do better than to seek the recommendations of scientists themselves. The National Academy of Sciences—National Research Council, in its independent position, detached from government and political pressures, is able to call on the best scientific resources of our Nation to address these vital problems.

Mr. HUMPHREY. I present the editorial in the hope that the State Department will read the RECORD, because the program of scientific attachés has practically come to a dead stop. The number involved today is so few that for all practical purposes there is no program. It seems to me that at a time when there is serious concern in our Nation about the technical and scientific training of large numbers of scientists and technicians in the Soviet Union, it might be very well for our State Department to give friendly consideration to the advice and counsel of distinguished editors, publishers, and scientists.

Mr. President, I desire now to refer to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

THE ILO FORCED LABOR ISSUE

Mr. HUMPHREY. Mr. President, I wish to call to the attention of Senators an editorial which appeared in this morning's New York Times. I shall not ask to have it reprinted.

I also invite attention to a news story which has appeared in the American press in the past 2 days, from Geneva, Switzerland. The news story and editorial relate to the ILO conference which is taking place there, and the unbelievable spectacle the representatives of our country are affording, when, instead of spearheading the efforts to outlaw forced labor, they are advocating halfhearted measures.

Mr. President, those of us who have been concerned about the administration's foot-dragging on the ILO forced labor issue can now take cold comfort that our fears seem to have been well founded. The New York Times this morning contains a dispatch from Geneva pointing out the Soviet Government is taking the lead at the ILO conference to promote a convention that will "outlaw forced labor in all its forms and anywhere."

I ask unanimous consent that the article referred to be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET RUSE SEEN ON FORCED LABOR—DELEGATES TO I. L. O. PARLEY NOTE MOSCOW MANEUVERS TO EMBARRASS THE WEST

(By Michael L. Hoffman)

GENEVA, June 18—The Soviet Union has tried to grab the ball from the Western Governments and trade unions on the forced labor issue in the International Labor Organization.

The essentially simple Soviet tactics were revealed today in a committee of the international labor conference in which the long process of working out a convention to outlaw forced labor is geting under way.

One delegate said the Soviet delegates clearly intended to try to get such extreme amendments into the draft convention that hardly any non-Communist Government could ratify it. If they succeed, they will be able to earn credit throughout the world by being in favor of the convention while the main western governments oppose it.

If they fail, they easily can oppose the convention as being inadequate, not going far enough and being a mere screen to hide the bad practices of the colonial and capitalist nations.

BROAD PROHIBITION URGED

Today, for instance, Amazasp Arutiunian, Soviet Government delegate, urged the committee to insert in the preamble to the main operative article of the convention that forced labor should be outlawed "in all its forms and anywhere."

He introduced these words as an amendment to an amendment of the workers' group, that would put into the preamble a reference to human rights and the United Nations Charter—an amendment to which no one objected.

The Russian language of the amendment would clearly outlaw prison labor, which in many countries is regarded as a progressive penal practice.

The effect was that the Soviet delegates spent the afternoon as the champions of a really sweeping abolition of forced labor while western government, employer and labor spokesmen argued for limiting the scope of the convention to what could be expected to be adopted in practice.

Neither this nor any other Soviet amendment was adopted. However, on one vote the Soviet delegates lacked only one vote of a majority and succeeded in splitting, and embarrassing, the workers' group which previously had adopted a group position against the Soviet proposals.

UNITED STATES PLAN MAKES LITTLE GAIN

The United States Government delegation does not seem to be making much progress in its effort to have the organization adopt a convention with alternative operative clauses so that the United States could ratify it without raising a constitutional issue on the use of treaty powers to establish labor standards within the United States.

The United States Government delegation has proposed language that would enable a country to get credit for having ratified the convention if it agreed only to prevent the movement into international trade of goods made with forced labor.

The texts submitted by the United States Government delegation have not been debated in full committee. However, it is clear that the worker delegations, including those from the United States, do not think the United States Government plan goes far enough toward outlawing forced labor. Even the Australian Government, which also has a problem of federal-state division of authority, regards the United States Government delegation's position as essentially an evasion of the issue.

The International Confederation of Free Trade Unions announced today it was challenging the credentials of the workers' delegates sent from Spain and Rumania. J. H. Oldenbroek, secretary general of the confederation, said at a news conference that neither delegation had been chosen truly by workers. In both cases they really represent Governments, he said.

Mr. HUMPHREY. This dispatch says that the effect yesterday "was that the Soviet delegates spent the afternoon as the champions of a really sweeping abolition of forced labor while western government, employer and labor spokesmen argued for limiting the scope of the convention to what could be expected to be adopted in practice."

The article goes on to say:

The United States Government delegation does not seem to be making much progress in its effort to have the organization adopt a convention with alternative operative clauses so that the United States could ratify it without raising a constitutional issue on the use of treaty powers to establish labor standards within the United States * * * it is clear that the worker delegations, including those from the United States, do not think the United States Government plan goes far enough toward outlawing forced labor. Even the Australian Government, which also has a problem of Federal-State division of authority, regards the United States Government delegations' position as essentially an evasion of the issue.

I agree, Mr. President, that the official American position is an evasion of the issue. I felt so last January when I introduced my resolution calling for the administration to take the lead in adopting a convention aimed at effectively outlawing forced labor. I hope, Mr. President, that the Senate Labor Committee, now that hearings have been concluded on this resolution, will still see fit to adopt Senate Resolution 248, already favorably recommended by the appropriate subcommittee. Even at this late date we still have an opportunity to indicate to the world that the United States Senate does not support the pettifogging position of the State Department.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I wish to associate myself with the Senator's remarks. It is very disturbing to me that in the year 1956 my Government should not be taking an unequivocal stand on the question of slave labor, not only with respect to the convention the Senator from Minnesota has referred to, but in respect also to aid to certain foreign nations into which American taxpayers' dollars are going, when we know that slave labor exists in those States. For instance, Mr. President, we are pouring money into Saudi Arabia when we know that human beings are sold on a slave market in that country.

I believe it is about time our Government started to keep faith with our professed ideals. The State Deraptment, however, is walking out on our ideals when it comes to slave labor. It is about time for America to stand up and be counted among the nations of the world and in the councils of the world on the question of slave labor, but instead the State Department ducks the issue.

I hope the American people will keep in mind that we have a "ducking" State Department, and that it is about time the Secretary of State be "ducked" and "dumped," because of his failure to keep faith with the ideal of America on this great human issue.

I agree with the Senator from Minnesota that it is a disgrace. When we say that, in my opinion, we have uttered the most devastating criticism that can be made against the State Department. It is acting in a disgraceful fashion on this great issue of human values.

Mr. HUMPHREY. I thank the Senator from Oregon. He has studied the ILO charter, and he is familiar with the workings of the ILO, and he knows the provisions of the ILO constitution. He knows that it contains a separate article regarding our type of constitutional structure and Federal-State relationship as they relate to conventions of the type now being proposed by the ILO conference.

There is no treaty problem involved. There is no constitutional problem involved. The only problem involved is a recalcitrant attitude, and the attitude of halfhearted measures and halfhearted words which are being indulged in by representatives of our Government.

I can surely sympathize with our labor representatives at ILO, when they realize that the American Federation of Labor-Congress of Industrial Organization voted its unequivocal opposition to forced labor and has asked for an international convention to declare it illegal and to outlaw it.

We, the great champion of democracy in the world, stand literally paralyzed by legalism, which no one seems to understand, including the lawyers in the State Department. Even a nonlawyer like myself is able to answer the arguments of the lawyers in the State Department. When that happens, I suggest that their case must be rather poor.

FLOOD DAMAGE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, a very fine editorial published in the Dalles Optimist of June 7, 1956.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STORAGE RESERVOIRS THE ULTIMATE ANSWER

The other night at the city council meeting, Councilman John H. Skirving introduced a resolution calling for strengthening by the United States Army engineers of the Dalles dike, "in the most vigorous language possible." The resolution was ordered adopted by the council.

There is nothing that so sharpens the recognition of the peril that exists from year to year for the communities which are adjacent to the Columbia River as a flood such as the one which has been descending this great river of the West this year.

Little damage has resulted here this year from the high water, though the city and county will have some costs to pay for sandbagging and pumping of seepage water. Heavy damages have resulted, however, on the lower river.

If we didn't experience a flood such as the one this year from time to time, however our people would soon forget all the hazards of floods, and when another 1894, or even a 1948, came along, it would be too late.

What is needed and needed at once is either a better dike here or a bypass route through the city along the waterfront which will serve the double purpose of dike and freeway for movement of through traffic.

Years away is the full control of the river brought about primarily by storage dams on the headwaters. Political considerations, and opposition by fishermen, private power interests, and others all enter into such a

public program on a vast scale, and it is unlikely this control plan will ever be adopted in its entirety.

In Portland this week Gen. L. H. Foote, North Pacific division engineer, made some interesting comments. Here are some of his views:

Floods aren't necessary. They can be controlled within reason. The flood of 1956 would have ranked next to the flood of 1948 if existing reservoirs along the United States portion of the Columbia and its tributaries had not been used to reduce the peak flow.

The crest was cut about 2 feet. Without Grand Coulee and other dams, the crest would have exceeded the 28.2-foot level at which Smith Lake broke suddenly through the S. P. & S. Railway fill on Memorial Day, 1948, smashing the city of Vanport. It would have been the third worst flood in the history of the river.

The Columbia crested at Vancouver, Wash., at high noon, June 13, 1948, at 30.2 feet (29.9 at Portland). Had all the present resources of the river, including existing reservoir capacity at Grand Coulee, been used in 1948, the crest could have been held down 1¾ to 2 feet.

Peak flow of the Columbia at The Dalles in 1948 was 1,010,000 cubic feet per second on May 31. This peak outpouring of snow and rain water has been exceeded only once in history, June 7, 1894, when 1,240,000 cubic feet per second flowed past The Dalles, raising the river at Portland to 33 feet. (No data was kept on Vancouver at that time.)

The 1894 flood, highest crest—although not the greatest runoff—in history, could have been cut down by 2 feet by full use of all the 4,900,000 acre-feet of storage now available on the river, General Foote points out.

The engineers could pull the teeth of Old Man River almost completely. They have a plan for dams to provide 20,900,000 acre-feet of storage which could cut the flow of the river in a flood of 1894 proportions down to 800,000 cubic feet per second at The Dalles. That would cut the crest at Vancouver by 7.7 feet.

The worst flood in history could be cut down to dike size—about 25 feet—if all the dams proposed were constructed to the heights proposed.

Would it be worth the cost? The cost of the program has not been estimated, but General Foote estimates a flood of 1894 proportions under present conditions would approximate $300 million damage on the lower Columbia River.

To achieve practical flood control would require construction of the following dams:

The high dam at Hells Canyon, 2,600,000 acre-feet; Payette River, increased by 300,000; John Day, 1,400,000; Priest Rapids, 2,100,000; Libby Dam, 3,900,000; Glacier View, 1,800,000, and increase of 3,900,000 acre-feet of storage at Grand Coulee by installation of new gates would operate under high pressure, and by upriver storage from new dams.

These projects, together with 4,690,000 acre-feet of storage usable at existing dams, would provide 20,890,000 acre-feet of usable storage for flood control.

Opposition to the proposed full flood control program, however, will cut the available storage in half, according to the present outlook, General Foote estimates.

Mr. MORSE. The editorial deals with the very serious flood problem in my State. I have just returned from a few days' visit in my State, during the course of which I made an inspection of certain areas along the Columbia River in Oregon which have suffered devastating floods.

They constitute further proof of the contention of the two Senators from Oregon for some time in the past, namely, that such floods can be prevented. I wish to stress that fact. When we are talking about adequate flood control, Mr. President, we are talking about a great waste in America which can be prevented; we are talking about saving the taxpayers of the country great economic wealth which is now going down the river and out to sea in the form of valuable topsoil; we are talking about saving millions of dollars in personal and real property. We are also talking about priceless human values.

The editorial which I have asked to have printed in the RECORD points out very clearly that flood damage is avoidable if we in our time take the necessary steps to control the streams by adequate dams.

The editorial comments on one of the greatest of flood-control projects, the Hells Canyon project, which would involve 2,600,000 acre-feet of flood control. I wish to stress that point. We are talking about preventing for the sake of our generation and of future generations all the damage which otherwise would be suffered because of a failure to save Hells Canyon Dam—if we should fail to save it—with its 2,600,000 acre-feet of flood control.

As I looked at the flooded areas during the past week, and as I sat on Monday night in Portland and looked at a film depicting the great catastrophe the people of my State in the flooded area had suffered this spring, as well as a few days ago again when the Columbia River went on a rampage, I found myself asking this question: "Why cannot all see it?"

This problem is of such a nature that, I am satisfied, if the American people could sit down before a showing of the film I saw on Monday night—a terrible film in the sense of depicting the frightful suffering caused when that river goes on a rampage—they would ask the Senate, "What are you waiting for? Why don't you appropriate the funds necessary to build these projects, from the standpoint of saving human values?"

As we note the sorrow on the faces of our fellow citizens who have just seen all they possess washed away down the river, we ask ourselves the question, "What is our moral obligation to these fellow citizens, when we know that the appropriation of funds to build the necessary dams will prevent such sorrow being visited upon them and upon other citizens in the future?"

Anyone in my position naturally finds himself in a very difficult posture in this regard, because as a member of the Committee on Foreign Relations I have been spending a great deal of time with my colleagues on that committee marking up the so-called foreign-aid bill. I am in favor of foreign aid. I shall continue to give the benefit of the doubt and all the presumptions to the President of the United States in his requests for foreign aid. I agreed in committee that our whole foreign-aid program should be subjected to an early study, and I therefore voted for the resolution which calls for a study and a reappraisal of the entire program.

In the meantime, I am willing to grant the benefit of all the presumptions and all the doubts to the President of the United States on the question of foreign aid, because I realize that we will win the fight for freedom in the days ahead on the economic front, or we will not win it at all. Therefore, we as a free people will have to export economic freedom to foreign lands, so that the people who are willing to stand with us can enjoy political freedom.

However, as a Senator, I am put in a very difficult position, for when I go back home and talk to constituents who have been subjected to the terrible sufferings and losses caused by a rampaging river, they ask me why Congress cannot provide an appropriation to stop this loss in our own country, since it does not seem to be too difficult to get from Congress appropriations of millions of dollars with which to develop great reclamation projects, flood-control projects, and other economic projects for people in far-away lands. Our own people, Mr. President, are not able to get from the Congress appropriations adequate for such purposes. We are living in a time when selfish private utility interests seem to have too much political power in this country to permit the people's interest to be protected in the Congress of the United States by providing appropriations necessary for great flood-control dams.

I offer Hells Canyon as exhibit A in support of my argument. The test soon will be made, Mr. President, as to whether this Congress places the flood-control interests of the American people first, or the selfish profit dollars of the Idaho Power Co. first. It is as simple as that.

I know I may tell the administration what the verdict of the people of my State will be, because I know that the people of Oregon, by an overwhelming majority, expect this Congress to pass a Hells Canyon Dam bill and to follow it with the appropriations necessary to start the great flood-control project on the Snake River, a project which will provide 2,600,000 acre-feet of flood control for the people of the Pacific Northwest. It is a project which the Army Engineer reports have said consistently would greatly help reduce flood dangers on the Snake and the Columbia—not eliminate them, because there are other projects.

Senators will find me continuing to support those projects, not only in the Pacific Northwest, but in any other State where the Army Engineers or the Bureau of Reclamation can submit reports, as they have on the projects to which I refer, and which show that from an engineering standpoint the building of a flood-control dam will help to reduce or eliminate entirely the damage from future floods.

It is easy to translate one of these issues into an issue of morality, but I do so because, in my judgment, this is also a moral issue. It is an economic issue; it is an engineering issue; it is also a moral issue.

Having seen what I looked at during the last weekend with respect to flood damages on the Columbia this year, I have come back to the Senate to start what I believe will be a very historic debate in the history of the Senate, a

debate over the moral issue as to whether the Congress is willing to put the rights of the American people for protection from the damages of ravaging floods at least on a plane equal to the consideration being shown to the people of foreign lands, into whose countries we are pouring millions of the American taxpayers' dollars for the development of flood control and reclamation projects.

Mr. President, if we can pour money into Egypt to the tune of $56 million or $57 million, according to the latest figures I have seen, let me say that we had better spend it in the United States also, or else be ready for the political verdict of the American people on the heads of those who do not face up to the great moral issue of adequate flood control for the American people.

RESPONSE OF THE PRESIDENT TO THE RESOLUTION OF THE SENATE

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate the following communication from the President of the United States, which was read and ordered to lie on the table:

THE WHITE HOUSE,
Washington, June 19, 1956.

DEAR MR. VICE PRESIDENT: I am deeply touched by and will always treasure Senate Resolution 280, adopted by the Senate on June 11, which conveys a most considerate and solicitous message of good wishes for my speedy recovery. For this extraordinarily kind act, I hope you will convey to every Member of the Senate my heartfelt thanks and appreciation.

With warm regard,
Sincerely,
DWIGHT D. EISENHOWER.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 20, 1956, he presented to the President of the United States the following enrolled bills:

S. 417. An act for the relief of Pearl O. Seilaz;

S. 530. An act for the relief of the Sacred Heart Hospital;

S. 1146. An act to further amend section 20 of the Trading With the Enemy Act relating to fees of agents, attorneys, and representatives;

S. 1414. An act for the relief of James Edward Robinson;

S. 1749. An act adopting and authorizing the improvement of Rockland Harbor, Maine;

S. 2016. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Lawrence F. Kramer;

S. 2152. An act for the relief of the estate of Susie Lee Spencer;

S. 2202. An act to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the Valley division, Yuma reclamation project, Arizona, and for other purposes;

S. 2582. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended;

S. 3265. An act to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States;

S. 3472. An act for the relief of Patricia A. Pembroke;

S. 3581. An act to increase the retired pay of certain members of the former Lighthouse Service;

S. 3778. An act to amend the act for the protection of walruses;

S. 3857. An act to clarify section 1103 (d) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended; and

S. 3945. An act for the relief of Walter C. Jordan and Elton W. Johnson.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1957

The PRESIDING OFFICER. In accordance with the agreement heretofore entered, the Chair lays before the Senate the bill (H. R. 10986), which will be the unfinished business, and which the clerk will state by title.

The CHIEF CLERK. A bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes.

ADJOURNMENT

Mr. MORSE. Mr. President, in accordance with the order previously entered, I move that the Senate stand adjourned until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 55 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, June 21, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 20, 1956:

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service, subject to qualification therefor as provided by law and regulation:

I. FOR APPOINTMENT

To be senior surgeons

Herbert A. Hudgins
Stanley J. Sarnoff

To be senior dental surgeon

Seymour J. Kreshover

To be senior sanitarian

Robert Johnston

To be senior assistant nurse officers

Dorothy L. Connors
Margaret M. Sweeney

CONFIRMATIONS

Executive nominations confirmed by the Senate June 20, 1956:

POSTMASTERS

ALABAMA

Joseph E. Martin, Boaz.
Luther Palmer Bean, Clanton.
Winston S. Morris, Elkmont.

ALASKA

Michael Shepard, Anchorage.

ARIZONA

William F. Cole, Maricopa.
Sarah L. Smith, Randolph.
Ethelyn L. Pettijohn, Stanfield.

ARKANSAS

Boyd B. Hammer, Bradley.
John E. Hunt, Marianna.
Willis E. Varvil, Quitman.

CALIFORNIA

Hazel L. Krueger, Acton.
Sam R. Haley, Associated.
Windol M. Martin, Bellflower.
Frank S. Spires, Berkeley.
Laura J. Pawlus, Bridgeville.
Leonard A. Mannee, Colusa.
Virginia N. Tharp, Esparto.
James E. Orr, Lancaster.
Donald Burleson, Mendocino.
Charles F. Linck, Jr., Ontario.
Raymond C. Durant, Redondo Beach.
Warren H. Williams, San Rafael.
Major R. Rix, South Pasadena.

COLORADO

Fred C. Brewer, Loveland.
Willard W. Wieck, Salida.
Calvin C. Haarhues, Wiggins.

CONNECTICUT

Richard J. Brereton, Wilton.

GEORGIA

William C. Chambers, Jr., Fort Gaines.
Samuel H. Henderson, Gray.
Carlos M. Sisson, Hapeville.

HAWAII

Joe R. Ferreira, Hanamaulu.

ILLINOIS

Roland W. Schultz, Downers Grove.
Robert G. Wheeler, Mills Shoals.
Robert G. Root, Versailles.

INDIANA

Albert T. Morris, Eaton.
Billy L. Kruse, Elberfeld.
Wayne W. Sloan, Marengo.
Marjorie L. Van Dyke, Pimento.
Maurice C. Griffith, Pleasant Lake.

IOWA

Joe R. Gordon, Arlington.
Myrtle L. Lane, Colesburg.
Ray H. Aten, Humeston.
Charles R. Kremenak, Newell.

KANSAS

Warren L. Hartley, Belle Plaine.
James J. Hiner, Belvue.
Myrtle M. McNeive, Emmett.
Layne B. Lairmore, Newton.
Mayetta B. Decker, Oskaloosa.
Bertha I. Elniff, Randall.
Jack R. Houston, Seneca.
Merle E. Popplewell, South Haven.
Ralph R. Johnson, Vermillion.
Leroy E. Blocker, Wetmore.

LOUISIANA

Ollie H. Dosher, Kilbourne.
Claude Rogers, Saline.
William H. Prejean, Westlake.

MAINE

Elsie M. Decker, Darkharbor.
Pauline C. Nason, Poland.
Robert F. Belgrade, South Gardiner.

MARYLAND

Richard W. Dawson, Mayo.
Edward F. Boston, Princess Ann.
Hugh H. Hassell, Rockville.
Rayola M. Moore, White Marsh.

MASSACHUSETTS

Ernest A. Paradis, Dodgeville.
Arthur K. Tolman, Gilbertville.
Larz D. Neilson, North Wilmington.

MINNESOTA

Homer D. Little, Appleton.
Loren J. Schendel, St. Michael.
Adelbert O. Ames, Springfield.
Chauncey B. Erwin, Winona.

MISSISSIPPI

Allie Mack Coker, Brookhaven.
Wiley Lee Williamson, Collins.
Jake R. Van Devender, Gholson.
James B. Johnston, Shubuta.
Carl H. Parker, Sumrall.
Minnie L. Logan, Tinsley.

MISSOURI

Robert E. Hock, Fort Leonard Wood.
Wilma M. Henneke, Leslie.
Davis L. Owen, Moberly.
Joseph A. Wallenburn, Otterville.
James W. Buzzard, Seneca.

MONTANA

Stephen Sams, Joliet.
George W. Duffy, Whitefish.

NEBRASKA

Bernard A. Boots, Ashby.
Earnest A. Moxham, Chester.
Dale B. Morrill, Creighton.
Lowell L. Saunders, Dixon.
Albert W. Watsek, Humboldt.
Leonard E. Peterson, Kennard.

NEVADA

Walter J. Bitton, Imlay.
Garner Andersen, Overton.

NEW HAMPSHIRE

Samuel A. Towle, Hampton.

NEW JERSEY

Harry H. Pedersen, Jr., Absecon.
George W. Douglass, Cape May Court House.
Howard F. Koons, Perth Amboy.

NEW YORK

Florence M. Drankhan, Boston.
Bernice M. Murphy, Cattaragus.
Doris M. Robinson, Comstock.
Raymond V. Seaman, Gilbertsville.
Paul W. Christenson, Gowanda.
David O. Rourke, Madrid.
Percy Pembleton, Monroe.
William R. Costello, Red House.
Ruth H. Dexter, Wampsville.

NORTH CAROLINA

Walter L. York, High Point.
Ruth E. Parrish, Summerfield.
Marvin W. Thomas, Trenton.

NORTH DAKOTA

Harold W. Bachman, Streeter.

OHIO

Glenn M. Price, Gahanna.
Ann M. Collins, Hooven.
Janice B. Hilborn, Tiro.
Richard G. Graham, Wapakoneta.
Owen F. Hartsock, Waynesville.
Stephen M. Snouffer, Worthington.

OKLAHOMA

R. C. Chastain, Clayton.

OREGON

Richard M. Bowman, Falls City.

PENNSYLVANIA

Robert W. Newton, Blandburg.
Norman C. Mackrell, Conoquenessing.
Adrian E. Kibler, Hastings.
Mary E. Yost, Loganville.
Norbert C. McDermott, McKees Rocks.
Drue L. Eyer, Nescopeck.
Melvin S. Raudabaugh, New Kingstown.
Alfred E. Ingram, Norwood.
Robert D. Esbenshade, Paradise.
Millard L. Kroh, Seven Valleys.
C. Lyman Sturgis, Uniontown.
Frank A. Bialas, Wilmore.
Jack S. Karchner, Woodland.

SOUTH CAROLINA

Samuel A. Elliott, Windy Hill Beach.

SOUTH DAKOTA

Clifford N. Nelson, Toronto.

TENNESSEE

Josiah A. DeMarcus, Norris.

TEXAS

Dewey E. Waggoner, Sundown.
Thomas J. Pippin, Van.
Henry M. Durham, Woodville.

UTAH

Garnel E. Larsen, Hyrum.
Lydia Johnson, Marysvalle.
Gordon A. Wood, Monticello.

VIRGINIA

Willoughby P. Taylor, Ashland.
Charles N. Wysor, Honaker.
Charles William Brown, Narrows.
Raymond N. Kinder, Rural Retreat.

WASHINGTON

Edna B. Gibson, Eastsound.

WISCONSIN

Boyd D. Wilson, Benton.
Walter L. Paepke, Burlington.
Elden F. Keller, Cochrane.
Lawrence W. Paul, Fox Lake.
Lydia I. Sievert, Greenvalley.
Neal E. Jones, Wausau.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 20, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, in this moment of prayer, may we come nearer unto Thee than we have ever known and may our human wills be made one with Thine in a bond of unity that can never be broken.

Grant that we may also be more firmly and closely united with one another in our plans and purposes to achieve for all mankind the blessings of a freer and fuller life.

Inspire us to search and struggle earnestly for that blessed day of universal peace when the tyrannies which oppress and the terrors which affright the soul of man shall be dethroned and destroyed and supplanted by the spirit of truth and righteousness.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 15, 1956:

H. R. 2216. An act to amend the act of June 19, 1948 (ch. 511, 62 Stat. 489), relating to the retention in the service of disabled commissioned officers and warrant officers of the Army and Air Force;

H. R. 4229. An act to provide running mates for certain staff corps officers in the naval service, and for other purposes;

H. R. 4437. An act relating to withholding for State employee retirement system purposes, on the compensation of certain civilian employees of the National Guard and the Air National Guard;

H. R. 4569. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes;

H. R. 4704. An act to provide for the examination preliminary to promotion of officers of the naval service;

H. R. 8477. An act to amend title II of the Women's Armed Services Integration Act of 1948, by providing flexibility in the distribution of women officers in the grades of commander and lieutenant commander, and for other purposes;

H. R. 8490. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex.;

H. R. 8674. An act to provide for the return of certain property to the city of Biloxi, Miss.; and

H. R. 9358. An act to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance.

On June 18, 1956:

H. R. 3255. An act to amend the Classification Act of 1949 to preserve in certain cases the rates of basic compensation of officers and employees whose positions are placed in lower grades by virtue of reclassification actions under such act, and for other purposes;

H. R. 8123. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Roseburg, Oreg.;

H. R. 8225. An act to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota; and

H. R. 9822. An act to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina.

On June 19, 1956:

H. R. 2840. An act to promote the further development of public library service in rural areas;

H. R. 4363. An act authorizing the conveyance of certain property of the United States to the State of New Mexico;

H. R. 5237. An act for the relief of Mrs. Ella Madden and Clarence E. Madden; and

H. R. 6274. An act to provide that no fee shall be charged a veteran discharged under honorable conditions for furnishing him or his next of kin or legal representative a copy of a certificate showing his service in the Armed Forces.

On June 20, 1956:

H. R. 692. An act to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for Peace";

H. R. 1484. An act for the relief of Garrett Norman Soulen and Michael Harvey Soulen.

H. R. 5079. An act for the relief of Tom Wong (Foo Tai Nam);

H. R. 5516. An act to amend title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to provide that service as an Army field clerk, or as a field clerk, Quartermaster Corps, shall be counted for purposes of retirement under title III of that act, and for other purposes;

H. R. 7702. An act for the relief of Mrs. Elizabeth Shenekji;

H. R. 7913. An act authorizing the Administrator of General Services to effect the exchange of properties between the United States and the city of Cape Girardeau, Mo.;

H. R. 10721. An act making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes; and

H. R. 10899. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7763. An act to amend the Japanese-American Evacuation Claims Act of 1948, as amended, to expedite the final determination of the claims, and for other purposes.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2572. An act to authorize the interchange of lands between the Department of Agriculture and military departments of the Department of Defense, and for other purposes;

S. 3363. An act for the relief of Miroslav Slovak;

S. 3365. An act to amend section 410 of the Interstate Commerce Act, as amended, to change the requirements for obtaining a freight forwarder permit;

S. 3879. An act to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover compensatory damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers; and

S. J. Res. 110. Joint resolution directing the Secretary of the Interior to conduct a study and investigation of Indian education in the United States.

INDEPENDENT OFFICES APPROPRIATION BILL, 1957—CONFERENCE REPORT

Mr. THOMAS. Mr. Speaker, I call up the conference report on the bill (H. R. 9739) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and for other purposes, and I ask unanimous consent that the statement on the part of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. THOMAS]?

There was no objection.

The Clerk read the statement.

The conference report and statement follows:

CONFERENCE REPORT (H. REPT. No. 2396)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9739) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 9, 11, 13, 15, 23, 28, 33, 43, 49, 56, and 72.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 14, 16, 18, 19, 20, 21, 26, 27, 30, 39, 40, 41, 42, 45, 52, 53, 55, 59, 60, 61, 62, 65, 66, 69 and 75, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$17,407,500"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$487,500"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$525,000,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$117,500"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$47,000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,225,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$125,000,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$120,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,884,400"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,175,500"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$9,540,375"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

"No part of any money appropriated by this or any other Act for any agency of the executive branch of the Government shall be used during the current fiscal year for the purchase within the continental limits of the United States of any typewriting machines except in accordance with regulations issued pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,225,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,500,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,500,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,500,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$93,000,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$61,887,500"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$14,000,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$38,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$40,000,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,125"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "twenty-eight"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$163,027,130"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: ", of which $17,640,042 shall be available for such expenses as are necessary for the loan guaranty program"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert ", of which $2,000,000 shall be used for the major alteration, rehabilitation, and modernization for the continued operation of the hospital at McKinney, Texas, and $1,500,000 shall be available for technical services for replacement of the general medical and surgical hospital at Nashville, Tennessee"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,036,700"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$46,950; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$368,000"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,165,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,775,000"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,475,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 50 and 64.

ALBERT THOMAS,
SIDNEY R. YATES,
JOE L. EVINS,
EDWARD P. BOLAND,
CLARENCE CANNON,
JOHN PHILLIPS,
C. W. VURSELL,
HAROLD C. OSTERTAG,
JOHN TABER,
Managers on the Part of the House.

WARREN G. MAGNUSON,
LISTER HILL,
ALLEN J. ELLENDER,
A. WILLIS ROBERTSON,
JOHN L. MCCLELLAN,
EVERETT M. DIRKSEN,
LEVERETT SALTONSTALL,
W. F. KNOWLAND,
per J. P. G.
JOSEPH R. MCCARTHY,
CHARLES POTTER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9739) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—INDEPENDENT OFFICES

Civil Service Commission

Amendments Nos. 1 and 2—Salaries and expenses: Authorize $12,000 for consultant services instead of $10,000 as proposed by the House and $29,000 as proposed by the Senate; and appropriate $17,407,500 for salaries and expenses instead of $17,282,500 as proposed by the House and $17,532,500 as proposed by the Senate.

Amendment No. 3: Restores House language relating to compensation or expenses of members of boards of examiners.

Amendment No. 4: Deletes House language relating to employees who allocate or reallocate supervisory positions in the classified civil service as proposed by the Senate.

Amendment No. 5—Investigations of United States citizens for employment by international organizations: Appropriates $487,500 instead of $450,000 as proposed by the House and $525,000 as proposed by the Senate.

Amendment No. 6—Payment to civil-service retirement and disability fund: Appropriates $525,000,000 instead of $600,000,000 as proposed by the House and $440,438,000 as proposed by the Senate.

Amendment No. 7: Authorizes $117,500 for administrative expenses of the Federal Employees' Group Life Insurance Act instead of $100,000 as proposed by the House and $186,700 as proposed by the Senate.

Federal Civil Defense Administration

Amendments Nos. 8 and 9—Operations: Authorize $6,000 for the purchase of newspapers, periodicals, and teletype news services instead of $5,000 as proposed by the House and $10,000 as proposed by the Senate; and appropriate $15,560,000 as proposed by the House instead of $21,700,000 as proposed by the Senate.

Amendment No. 10—Emergency supplies and equipment: Appropriates $47,000,000 instead of $42,000,000 as proposed by the House and $64,000,000 as proposed by the Senate.

Amendment No. 11—Surveys, plans, and research: Appropriates $10,000,000 as proposed by the House instead of $14,500,000 as proposed by the Senate.

Amendment No. 12—Salaries and expenses, Civil defense functions of Federal agencies: Appropriates $4,000,000 instead of $1,540,000 as proposed by the House and $6,000,000 as proposed by the Senate.

Amendment No. 13: Restores House language relating to the construction or lease of warehouse space.

Funds Appropriated to the President

Disaster Relief

Amendments Nos. 14 and 15: Appropriate $6,000,000 as proposed by the Senate instead of $5,386,030 as proposed by the House; and delete Senate language limiting the amount of expenditures in any one State.

Federal Communications Commission

Amendment No. 16—Salaries and expenses: Appropriates $7,828,000 as proposed by the Senate instead of $7,800,000 as proposed by the House.

Federal Power Commission

Amendments Nos. 17 and 18—Salaries and expenses: Appropriate $5,225,000 instead of $5,200,000 as proposed by the House and $5,250,000 as proposed by the Senate; and authorize $325,000 for investigations relating to Federal river development projects as proposed by the Senate instead of $200,000 as proposed by the House.

Federal Trade Commission

Amendments Nos. 19, 20 and 21—Salaries and expenses: Authorize $237,000 for expenses of travel as proposed by the Senate instead of $227,000 as proposed by the House; appropriate $5,550,000 for salaries and expenses as proposed by the Senate instead of $5,400,000 as proposed by the House; and delete House language relating to a statistical analysis of the consumer's dollar as proposed by the Senate.

General Services Administration

Amendment No. 22—Operating expenses, Public Buildings Service: Appropriates $125,000,000 instead of $122,694,200 as proposed by the House and $128,084,500 as proposed by the Senate.

Amendment No. 23—Repair, improvement, and equipment of federally owned buildings outside the District of Columbia: Appropriates $42,565,550 as proposed by the House instead of $42,638,000 as proposed by the Senate.

Amendments Nos. 24 and 25—Operating expenses, Federal Supply Service: Authorize $120,000 for expenses of travel instead of $81,000 as proposed by the House and $160,000 as proposed by the Senate; and appropriate $2,884,400 instead of $2,809,400 as proposed by the House and $2,959,400 as proposed by the Senate.

Amendment No. 26—Expenses, general supply fund: Appropriates $14,770,000 as proposed by the Senate instead of $14,270,000 as proposed by the House.

Amendment No. 27—Operating expenses, National Archives and Records Service: Appropriates $6,893,650 as proposed by the Senate instead of $6,818,650 as proposed by the House.

Amendment No. 28—Survey of Government records, records management, and disposal practices: Deletes Senate language to appropriate $200,000.

Amendments Nos. 29 and 30—Strategic and critical materials: Authorize $3,175,500 for operating expenses instead of $3,000,000 as proposed by the House and $3,351,000 as proposed by the Senate; and insert a comma as proposed by the Senate.

Amendment No. 31—Administrative operations fund: Authorizes $9,540,375 instead of $9,278,200 as proposed by the House and $9,802,550 as proposed by the Senate.

Amendment No. 32: Strikes out House language relating to the purchase of type-

writers but inserts language requiring that they be purchased in accordance with regulations issued pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended. The deletion of the typewriter price restriction language is not intended to alter the present prohibition against purchases of typewriting machines by agencies in the executive branch of the Government unless the General Services Administration certifies that suitable typewriting machines are not available from excess.

Amendment No. 33: Restores House language authorizing 10 positions in grade GS-16 and one position in grade GS-18 of the Classification Act of 1949, as amended.

Housing and Home Finance Agency

Office of the Administrator

Amendment No. 34—Salaries and expenses: Appropriates $6,225,000 instead of $6,000,000 as proposed by the House and $6,450,000 as proposed by the Senate.

Amendment No. 35—Urban planning grants: Appropriates $1,500,000 instead of $1,000,000 as proposed by the House and $2,000,000 as proposed by the Senate.

Amendment No. 36—Reserve of planned public works (payment to revolving fund): Appropriates $7,500,000 instead of $6,000,000 as proposed by the House and $9,000,000 as proposed by the Senate.

Public Housing Administration

Amendment No. 37—Administrative expenses: Appropriates $10,500,000 instead of $9,700,000 as proposed by the House and $10,700,000 as proposed by the Senate.

Amendment No. 38—Annual contributions: Appropriates $93,000,000 instead of $90,000,000 as proposed by the House and $96,000,000 as proposed by the Senate.

Interstate Commerce Commission

Amendments Nos. 39, 40, 41, 42 and 43—Salaries and expenses: Authorize the purchase of 60 passenger motor vehicles as proposed by the Senate instead of 45 as proposed by the House; insert language as proposed by the Senate authorizing not to exceed $1,085,000 for expenses of travel; appropriate $14,879,696 for the Interstate Commerce Commission as proposed by the Senate instead of $13,900,000 as proposed by the House; authorize not less than $1,230,178 for expenses necessary to carry out railroad safety activities and not less than $849,500 for expenses necessary to carry out locomotive inspection activities as proposed by the Senate instead of not less than $1,939,000 for railroad safety and locomotive inspection activities as proposed by the House; and strike out language proposed by the Senate earmarking $187,088 for twenty-two inspectors for the Bureau of Motor Carriers. In deleting language proposed by the Senate earmarking funds for motor carrier inspectors, the conferees intend that the additional funds provided shall be used for such safety inspectors as intended in the language.

National Advisory Committee for Aeronautics

Amendments Nos. 44 and 45—Salaries and expenses: Provide $63,387,500 instead of $62,075,000 as proposed by the House and $64,700,000 as proposed by the Senate.

Amendment No. 46—Construction and equipment: Appropriates $14,000,000 instead of $13,000,000 as proposed by the House and $15,000,000 as proposed by the Senate.

National Capital Housing Authority

Amendment No. 47—Maintenance and operation of properties: Appropriates $38,000 instead of $37,000 as proposed by the House and $39,000 as proposed by the Senate.

National Science Foundation

Amendments Nos. 48 and 49—Salaries and expenses: Appropriate $40,000,000 instead of $35,915,000 as proposed by the House and $41,300,000 as proposed by the Senate; and restore House language earmarking $9,500,000 for the supplementary training of high-school science and mathematics teachers. The amount appropriated includes $3,500,000 proposed for a radio astronomy facility.

National Security Training Commission

Amendment No. 50—Salaries and expenses: Reported in disagreement. The conferees are agreed that the amount provided for this agency in fiscal year 1957 should be to close out its activities during the fiscal year.

Securities and Exchange Commission

Amendments Nos. 51, 52 and 53—Salaries and expenses: Authorize $1,125 for the purchase of newspapers instead of $750 as proposed by the House and $1,500 as proposed by the Senate; authorize purchase of one passenger motor vehicle as proposed by the Senate; and appropriate $5,749,000 as proposed by the Senate instead of $5,700,000 as proposed by the House.

Selective Service System

Amendments Nos. 54, 55 and 56—Salaries and expenses: Authorize purchase of 28 motor vehicles for replacement only instead of 19 as proposed by the House and 38 as proposed by the Senate; appropriate $29,050,000 as proposed by the Senate instead of $28,442,000 as proposed by the House; and restore House language earmarking $20,586,050 for activities of local boards.

Veterans' Administration

Amendments Nos. 57, 58 and 59—General operating expenses: Appropriate $163,027,130 instead of $162,118,260 as proposed by the House and $163,936,000 as proposed by the Senate; insert language earmarking $17,640,042 for the loan guaranty program proposed by the House; and authorize 22 persons in public relations work as proposed by the Senate instead of 20 persons as proposed by the House.

Amendments Nos. 60 and 61—Medical administration and miscellaneous operating expenses: Appropriate $20,773,800 as proposed by the Senate instead of $16,099,600 as proposed by the House; and earmark $10,000,000 for medical research as proposed by the Senate.

Amendments Nos. 62, 63, and 65—Hospital and domiciliary facilities: Appropriate $51,635,000 as proposed by the Senate instead of $50,935,000 as proposed by the House. The appropriation, in addition to the budget program, includes $1,500,000 for the major alteration and rehabilitation of the hospital at McKinney, Tex., for permanent use; $2,000,000 for replacement of the hospital at Nashville, Tenn.; and chapel facilities for the hospitals at Northampton, Mass., Wilkes-Barre, Pa., and Brooklyn, N. Y., as proposed by the House; and $700,000 for a therapeutic exercise clinic for the hospital at Battle Creek, Mich., as proposed by the Senate.

Amendment No. 64—Reported in disagreement.

Amendment No. 66—Major alterations, improvements, and repairs: Appropriates $4,533,000 as proposed by the Senate instead of $4,447,000 as proposed by the House.

TITLE II—CORPORATIONS

Federal Home Loan Bank Board

Amendments Nos. 67 and 68—Authorize $1,036,700 for administrative expenses of the Federal Home Loan Bank Board instead of $978,400 as proposed by the House and $1,095,000 as proposed by the Senate; and authorize $46,950 for expenses of travel instead of $42,400 as proposed by the House and $51,500 as proposed by the Senate.

Amendment No. 69—Federal Savings and Loan Insurance Corporation: Authorizes $596,000 for administrative expenses as proposed by the Senate instead of $532,000 as proposed by the House.

Housing and Home Finance Agency

Amendment No. 70—Office of the Administrator, public facility loans: Authorizes $368,000 for administrative expenses instead of $318,000 as proposed by the House and $418,000 as proposed by the Senate.

Amendments Nos. 71 and 72—Office of the Administrator, revolving fund (liquidating programs): Authorize $2,165,000 for administrative expenses instead of $2,000,000 as proposed by the House and $2,310,000 as proposed by the Senate; and authorize $7,900,000 for nonadministrative expenses as proposed by the House instead of $8,400,000 as proposed by the Senate.

Amendment No. 73—Federal National Mortgage Association: Authorizes $3,775,000 for administrative expenses instead of $3,700,000 as proposed by the House and $3,850,000 as proposed by the Senate.

Amendments Nos. 74 and 75—Public Housing Administration: Authorize $12,475,000 for administrative expenses instead of $11,550,000 as proposed by the House and $12,800,000 as proposed by the Senate; and insert language authorizing purchase of uniforms and allowances therefor as proposed by the Senate.

ALBERT THOMAS,
SIDNEY R. YATES,
JOE L. EVINS,
EDWARD P. BOLAND,
CLARENCE CANNON,
JOHN PHILLIPS,
C. W. VURSELL,
HAROLD C. OSTERTAG,
JOHN TABER,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman from Texas yield?

Mr. THOMAS. I yield.

Mr. ROONEY. Mr. Speaker, with regard to this conference report which we are about to adopt, I should like to express the grateful appreciation of the vast number of war veterans in Brooklyn, N. Y., to my friend and colleague, the gentleman from Texas, and the managers on the part of the House for having included in this conference report funds for a new chapel facility at the Fort Hamilton Veterans' Administration hospital in Brooklyn, N. Y.

Mr. THOMAS. As the gentleman from New York knows, there is $435,000 included in this bill for 3 chapels, and the one in Brooklyn is 1 of them.

I recall several years ago when a former Member of this House, Donald L. O'Toole, and the gentleman from New York [Mr. ROONEY] were instrumental in getting the Fort Hamilton veterans' hospital. They have been active ever since in procuring the chapel facility. So we think the headache is over with now.

Mr. ROONEY. I thank the gracious and distinguished gentleman from Texas.

Mr. THOMAS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will read the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 24, line 20, insert:

"NATIONAL SECURITY TRAINING COMMISSION

"Salaries and expenses: For necessary expenses of the National Security Training

Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem; and expenses of attendance at meetings concerned with the purposes of this appropriation; $75,000."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 50, and concur therein with an amendment, as follows: In lieu of the sum of "$75,000" named in said amendment, insert "$50,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 64: Page 32, line 9, insert ": *Provided*, That the construction of the hospital at the Wade Park site is to furnish not less than 800 general, medical, and surgical beds."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

LEGISLATIVE BRANCH APPROPRIATION BILL

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11473) making appropriations for the legislative branch for the fiscal year ending June 30, 1957, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, after line 6, insert:

"SENATE"

Page 1, after line 6, insert:

"Salaries of Senators, mileage of the President of the Senate and of Senators, expense allowance of the majority and minority leaders of the Senate, and salary and expense allowance of the Vice President"

Page 1, after line 6, insert:

"For compensation of Senators, $12,166,240."

Page 1, after line 6, insert:

"For mileage of the President of the Senate and of Senators, $51,000."

Page 1, after line 6, insert:

"For expense allowance of the majority leader and the minority leader of the Senate, $2,000 each, in all, $4,000."

Page 1, after line 6, insert:

"For the compensation of the Vice President of the United States, $35,070."

Page 1, after line 6, insert:

"For expense allowance of the Vice President, $10,000."

Page 1, after line 6, insert:

"Salaries, officers and employees

"For compensation of officers, employees, clerks to Senators, and others as authorized by law, as follows."

Page 1, after line 6, insert:

"Office of the Vice President

"For clerical assistance to the Vice President, at rates of compensation to be fixed by him in multiples of $5 per month, $86,925."

Page 1, after line 6, insert:

"Chaplain

"Chaplain of the Senate, $5,000."

Page 1, after line 6, insert:

"Office of the Secretary

"For office of the Secretary, $572,915: *Provided*, That effective July 1, 1956, the compensation of the chief clerk and parliamentarian of the Senate shall be $15,500 gross per annum each in lieu of $8,820 basic per annum each; and the basic annual compensation of the following positions shall be: legislative clerk $7,620 in lieu of $7,260; journal clerk $7,620 in lieu of $7,260; assistant parliamentarian $7,620 in lieu of $7,260; keeper of stationery $6,060 in lieu of $5,580; librarian $6,060 in lieu of $5,580; superintendent document room $6,060 in lieu of $5,580; secretary to parliamentarian $3,240 in lieu of $3,000; assistant journal clerk $3,240 in lieu of $3,060; assistant bill clerk $3,240 in lieu of $3,000; assistant executive clerk $3,240 in lieu of $3,000; and custodian of records $3,240 in lieu of $3,000."

Page 1, after line 6, insert:

"Committee employees

"For professional and clerical assistance to standing committees, and the Select Committee on Small Business, $2,030,650."

Page 1, after line 6, insert:

"Conference committees"

Page 1, after line 6, insert:

"For clerical assistance to the conference of the majority, at rates of compensation to be fixed by the chairman of said committee, $40,000."

Page 1, after line 6, insert:

"For clerical assistance to the conference of the minority, at rates of compensation to be fixed by the chairman of said committee, $40,000."

Page 1, after line 6, insert:

"Administrative and clerical assistants to Senators

"For administrative and clerical assistants and messenger service for Senators, $9,604,000."

Page 1, after line 6, insert:

"Office of the Sergeant at Arms and Doorkeeper

"For office of Sergeant at Arms and Doorkeeper, $1,755,770: *Provided*, That effective July 1, 1956, the basic annual compensation of the following positions shall be: secretary $2,760 in lieu of $2,520; clerk $2,880 in lieu of secretary $2,460; chief telephone operator $3,180 in lieu of $3,000; three assistant chief telephone operators at $2,580 each in lieu of $2,460 each; 26 pages at $1,800 each in lieu of 24 pages at $1,800 each; 79 privates, police force, at $2,160 each in lieu of 75 privates, police force, at $2,160 each; postmaster $6,060 in lieu of $5,580; chief clerk, post office $2,760 in lieu of $2,660; 30 mail carriers at $2,100 each in lieu of 28 mail carriers at $2,100 each; superintendent, periodical press gallery at $4,740 in lieu of $4,320; clerk-stenographer, service department at $2,160 in lieu of clerk-typist at $1,920; chief machine operator at $2,880 in lieu of $2,760; foreman of duplicating department at $3,180 in lieu of $2,880; two offset press operators at $2,580 each and 1 offset press operator at $2,340 in lieu of 3 offset press operators at $2,340 each; 2 messengers at pass door at $2,400 each; superintendent of mails at $2,400; superintendent press photographers gallery at $4,020; night supervisor, service department at $2,700; senior addressograph operator at $2,400 and 5 addressograph operators at $2,160 each in lieu of 4 addressograph operators at $2,160 each; 7 messengers at $1,740 each in lieu of 6 messengers at $1,740 each; 5 inserting machine operators at $1,980 each; 2 photostat operators at $2,400 each in lieu of 1 photostat operator at $2,400; 4 laborers at $1,620 each in lieu of 3 laborers at $1,620 each; auditor $2,220; administrative assistant $7,320; director, recording studio, $7,020; director of photography $5,100; chief sound engineer $4,080; laboratory supervisor $4,020; cameraman $3,600; film and radio recording engineer $3,120; shipping and stock clerk $1,800; traffic manager $2,520; production assistant $3,420; editor and printer $3,000; administrative officer $3,780; and projectionist, film inspector $2,280."

Page 1, after line 6, insert:

"Offices of the Secretaries for the majority and the minority

"For the offices of the Secretary for the majority and the Secretary for the minority, $94,950: *Provided*, That effective July 1, 1956, the gross compensation of the Secretary for the Majority and the Secretary for the Minority shall be $15,500 per annum each; and the basic annual compensation of the assistant secretary for the majority and the assistant secretary for the minority shall be $6,300 each in lieu of $5,580 each."

Page 1, after line 6, insert:

"Offices of the majority and minority whips

"For 2 clerical assistants, 1 for the majority whip and 1 for the minority whip, at not to exceed $5,580 basic per annum each, $20,045."

Page 1, after line 6, insert:

"In all $14,250,255, and the agency contribution for Federal Employees Group Life Insurance authorized to be paid from this appropriation by Public Law 598, 83d Congress, shall be paid without regard to the above limitations."

Page 1, after line 6, insert:

"Contingent expenses of the Senate"

Page 1, after line, insert:

"Legislative reorganization: For salaries and expenses, legislative reorganization, including the objects specified in Public Law 663, 79th Congress, $100,000."

Page 1, after line 6, insert:

"Senate policy committees: For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $105,000 for each such committee; in all $210,000."

Page 1, after line 6, insert:

"Joint Committee on the Economic Report: For salaries and expenses of the Joint Committee on the Economic Report, $135,560."

Page 1, after line 6, insert:

"Joint Committee on Atomic Energy: For salaries and expenses of the Joint Committee on Atomic Energy, including the objects specified in Public Law 20, 80th Congress, including $825 for expenses of compiling and preparing year end Joint Committee reports, which sum, or any part thereof, may be paid as additional compensation to any employee of the United States, $222,775."

Page 1, after line 6, insert:

"Joint Committee on Printing: For salaries and expenses of the Joint Committee on Printing, at rates of compensation to be fixed by the committee, $59,085; for expenses of compiling, preparing, and indexing the Congressional Directory, $1,600; and for compiling, preparing, and indexing material for the biographical directory, $2,500, said sum, or any part thereof, in the discretion of the chairman or vice chairman of the Joint Committee on Printing, may be paid as additional compensation to any employee of the United States; in all, $63,185."

Page 1, after line 6, insert:

"Committee on Rules and Administration: For reimbursement to General Services Administration for space furnished the United States Senate, $27,515; and for expenses of compiling, preparing, and indexing material for the Senate Manual, $2,050, said sum, or any part thereof, in the discretion of the chairman of the Committee on Rules and Administration, may be paid as additional

compensation to any employee of the United States; in all, $29,565."

Page 1, after line 6, insert:

"Vice President's automobile: For purchase, exchange, driving, maintenance, and operation of an automobile for the Vice President, $8,785."

Page 1, after line 6, insert:

"Automobile for the President pro tempore: For purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $8,785."

Page 1, after line 6, insert:

"Automobiles for majority and minority leaders: For purchase, exchange, driving, maintenance, and operation of 2 automobiles, 1 for the majority leader of the Senate, and 1 for the minority leader of the Senate, $17,570."

Page 1, after line 6, insert:

"Reporting Senate proceedings: For reporting the debates and proceedings of the Senate, payable in equal monthly installments, $170,250."

Page 1, after line 6, insert:

"Furniture: For services and materials in cleaning and repairing furniture, and for the purchase of Furniture, $31,190: *Provided*, That the furniture purchased is not available from other agencies of the Government."

Page 1, after line 6, insert:

"Inquiries and investigatitons: For expenses of inquiries and investigations ordered by the Senate or conducted pursuant to section 134 (a) of Public Law 601, 79th Congress, including $400,000 for the Committee on Appropriatitons, to be available also for the purposes mentioned in Senate Resolution numbered 193, agreed to October 14, 1943, and Public Law 20, 80th Congress, $2,000,000."

Page 1, after line 6, insert:

"Folding documents: For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding $1.61 per hour per person, notwithstanding any other provision of law, $29,000."

Page 1, after line 6, insert:

"Senate restaurants: For repairs, improvements, equipment, and supplies for Senate kitchens and restaurants, Capitol Building and Senate Office Building, including personal and other services, to be expended under the supervision of the Committee on Rules and Administration, United States Senate, $55,000."

Page 1, after line 6, insert:

"Motor vehicles: For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, $16,560."

Page 1, after line 6, insert:

"Miscellaneous items: For miscellaneous items, exclusive of labor, $1,370,000."

Page 1, after line 6, insert:

"Postage stamps: For Office of the Secretary, $650; Office of Sergeant at Arms, $225; Offices of the Secretaries for the Majority and the Minority, $100; and for airmail and special-delivery stamps for Senators and the President of the Senate, as authorized by law, $38,800, in all, $39,775, and the maximum allowance per capita for airmail and special-delivery stamps of $300 is increased to $400 for the fiscal year 1957, and thereafter."

Page 1, after line 6, insert:

"Stationery: For stationery for Senators and for the President of the Senate, including $12,900 for stationery for committees and officers of the Senate, $187,500."

Page 1, after line 6, insert:

"Communications: For an amount for communications which may be expended interchangeably for payment, in accordance with such limitations and restrictions as may be prescribed by the Committee on Rules and Administration, of charges on official telegrams and long-distance telephone calls made by or on behalf of Senators or the President of the Senate, such telephone calls to be in addition to those authorized by the provisions of the Legislative Branch Appropriation Act, 1947 (60 Stat. 392; 2 U. S. C. 46c, 46d, 46e), as amended, and the First Deficiency Appropriation Act, 1949 (63 Stat. 77; 2 U. S. C. 46d–1), $14,550."

Page 1, after line 6, insert:

"Administrative provisions"

Page 1, after line 6, insert:

"Notwithstanding the provisions of any other law, each Senator may fix the basic compensation of one employee in his office at a rate of not to exceed $8,040 per annum in addition to other positions authorized by law."

Page 1, after line 6, insert:

"The Sergeant at Arms hereafter is authorized and directed to secure suitable office space in post office or other Federal buildings in the State of each Senator for the use of such Senator and in the city to be designated by him: *Provided*, That in the event suitable space is not available in such buildings and a Senator leases or rents office space elsewhere, the Sergeant at Arms is authorized to approve for payment, from the contingent fund of the Senate, vouchers covering bona fide statements of rentals due in an amount not exceeding $1,200 per annum for each Senator."

Page 1, after line 6, insert:

"The Sergeant at Arms of the Senate hereafter is authorized and directed to approve for payment from the contingent fund of the Senate to each Senator an amount not to exceed $150 quarterly, upon certification of each such Senator, for official office expenses incurred in his State: *Provided*, That in the case of the death of any Senator the chairman of the Committee on Rules and Administration may certify for each deceased Senator for any portion of such quarterly allowances already obligated but not certified to at the time of such Senator's death, and for an amount at the same quarterly rate which may be reasonably needed for the purpose of closing such deceased Senator's State office, for payment to the person or persons designated as entitled to such payment by said chairman."

Page 1, after line 6, insert:

"Effective July 1, 1956, the paragraph relating to official long-distance telephone calls to and from Washington, D. C., under the heading 'Contingent Expenses of the Senate' in Public Law 479, 79th Congress (2 U. S. C. 46c), as amended, is amended by striking out the word 'ninety' and inserting in lieu thereof 'one hundred and twenty' and by striking out the words 'four hundred and fifty' and inserting in lieu thereof 'six hundred'."

Page 1, after line 6, insert:

"The Secretary of the Senate and the Sergeant at Arms hereafter are authorized and directed to protect the funds of their respective offices by purchasing insurance in an amount necessary to protect said funds against loss. Premiums on such insurance shall be paid out of the contingent fund of the Senate, upon vouchers approved by the chairman of the Committee on Rules and Administration."

Page 1, after line 6, insert:

"Salaries or wages paid out of the foregoing items under 'Contingent Expenses of the Senate' shall be computed at basic rates, plus increased and additional compensation, as authorized and provided by law."

Page 1, after line 6, insert:

"No part of the foregoing appropriations made under the heading 'Contingent Expenses of the Senate' hereafter may be expended for per diem and subsistence expenses (as defined in the Travel Expense Act of 1949, as amended) at rates in excess of $12 per day; except that (1) higher rates may be established by the Committee on Rules and Administration for travel beyond the limits of the continental United States, and (2) in accordance with regulations prescribed by the Committee on Rules and Administration of the Senate, reimbursement for such expenses may be made on an actual expense basis of not to exceed $25 per day in the case of travel within the continental limits of the United States."

Page 1, after line 6, insert:

"Compensation for stenographic assistance of committees paid out of the foregoing items under 'Contingent Expenses of the Senate' hereafter shall be computed at such rates and in accordance with such regulations as may be prescribed by the Committee on Rules and Administration, notwithstanding, and without regard to any other provision of law."

Page 1, after line 6, insert:

"The contingent fund of the Senate is hereafter made available for reimbursement for mileage, at the rate of 10 cents per mile, for one round trip in each fiscal year by the nearest route usually traveled between Washington, D. C., and a Senator's residence in his home State, to not to exceed two employees in each Senator's office, such reimbursement to be made upon vouchers approved by the Senator and containing a certification by him that such travel was performed in line of official duty."

Page 1, after line 6, insert:

"Unless otherwise specifically authorized by law, no part of any appropriation disbursed by the Secretary of the Senate shall be available for payment of compensation to any person holding any position, for any period for which such person received compensation for holding any other position, the compensation for which is disbursed by the Secretary of the Senate."

Page 8, line 9, strike out "$82,495" and insert "$83,095."

Page 9, line 19, after "incumbents" insert "and that the Commissioners of the District of Columbia are directed to pay the deputy chief detailed under the authority of this paragraph the same salary as that paid in fiscal year 1956 plus $600 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent."

Page 10, after line 4, insert:

"JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

"For an amount to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $22,500, to be disbursed by the Secretary of the Senate."

Page 13, line 14, strike out "$282,600" and insert "$932,600."

Page 13, line 14, after "$282,600" insert ", of which $650,000 shall be available for construction of a combined sanitary-storm water sewer extending from the Additional Senate Office Building to the existing sewer crossing Constitution Avenue just west of New Jersey Avenue NW."

Page 13, after line 14, insert:

"Subway transportation, Capitol and Senate Office Buildings: For maintenance, repairs, and rebuilding of the subway transportation system connecting the Senate Office Building with the Capitol, including personal and other services, $6,600."

Page 13, after line 14, insert:

"Senate Office Building: For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel and for personal and other services; including five female attendants in charge of ladies' retiring rooms at $1,800 each, for the care and operation of the Senate Office Building; to be expended under the control and supervision of the Architect of the Capitol; in all, $1,248,600."

Page 13, after line 14, insert:

"Additional office building for the United States Senate

"Construction and equipment of additional Senate Office Building: To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to continue to provide for the construction and equipment of a fireproof office building for the use of the United States Senate, in accordance with the provisions of the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), $5,250,000: *Provided,* That no part of the funds herein appropriated shall be obligated or expended for construction of the rear center wing of said building, from the ground floor up, provided for under the building plans heretofore approved by such Commission."

Page 16, line 18, strike out "$5,300,000" and insert "$5,310,593."

Page 17, line 13, strike out "$1,475,000" and insert "$1,487,100."

Page 20, after line 25, insert:

"The paragraph in the Legislative Appropriation Act 1954 (67 Stat. 330), establishing the Government Printing Office Revolving Fund is hereby amended by striking out the words '(except buildings and land)', where they occur, and inserting in lieu thereof 'and building appurtenances (except building structures and land)'.

Page 20, after line 25, insert:

"The Public Printer is authorized to provide for the improvement of electrical facilities and extension of air conditioning as necessary for the operation and maintenance of the Government Printing Office. The operation shall be financed from the revolving fund in accordance with provisions of law (44 U. S. C. 63; 63 Stat. 301, Aug. 1, 1955)."

Page 22, strike out all after line 4 over to and including line 12 on page 25 and insert:

"SEC. 105. (a) There is hereby established a House Recording Studio and a Senate Recording Studio.

"(b) The House Recording Studio shall assist Members of the House of Representatives in making disk, film, and tape recordings, and in performing such other functions and duties in connection with the making of such recordings as may be necessary. The Senate Recording Studio shall assist Members of the Senate and committees of the Senate in making disk, film, and tape recordings, and in performing such other functions and duties in connection with the making of such recordings as may be necessary. The House Recording Studio shall be for the exclusive use of Members of the House of Representatives (including the Delegates and the Resident Commissioner from Puerto Rico); the Senate Recording Studio shall be for the exclusive use of Members of the Senate, the Vice President, and committees of the Senate.

"(c) The House Recording Studio shall be operated by the Clerk of the House of Representatives under the direction and control of a committee which is hereby created (hereinafter referred to as the committee) composed of three Members of the House. Two members of the committee shall be from the majority party and one member shall be from the minority party, to be appointed by the Speaker. The committee is authorized to issue such rules and regulations relating to operation of the House Recording Studio as it may deem necessary.

"The Senate Recording Studio shall be operated by the Sergeant at Arms of the Senate under the direction and control of the Committee on Rules and Administration of the Senate. The Committee on Rules and Administration is authorized to issue such rules and regulations relating to operation of the Senate Recording Studio as it may deem necessary.

"(d) The Clerk of the House of Representatives shall, subject to the approval of the committee, set the price of making disk, film, and tape recordings, and collect all moneys owed the House Recording Studio. The Committee on Rules and Administration of the Senate shall set the price of making disk, film, and tape recordings and all moneys owed the Senate Recording Studio shall be collected by the Sergeant at Arms of the Senate.

"(e) No moneys shall be expended or obligated for the House Recording Studio except as shall be pursuant to such regulations as the committee may approve. No moneys shall be expended or obligated by the Director of the Senate Recording Studio until approval therefor has been obtained from the Sergeant at Arms of the Senate.

"(f) The Clerk of the House of Representatives is authorized, subject to the approval of the committee, to appoint and fix the compensation of a Director of the House Recording Studio and such other employees as are deemed necessary to the operation of the House Recording Studio.

"(g) There is hereby established in the Treasury of the United States, a revolving fund within the contingent fund of the House of Representatives for the House Recording Studio for the purposes of administering the duties of that studio. There is also established in the Treasury of the United States, a revolving fund within the contingent fund of the Senate for the Senate Recording Studio for the purposes of administering the duties of that studio.

"(h) All moneys received by the House Recording Studio from Members of the House of Representatives for disk, film, or tape recordings, or from any other source, shall be deposited by the Clerk of the House of Representatives in the revolving fund established for the House Recording Studio by the preceding paragraph; moneys in such fund shall be available for disbursement therefrom by the Clerk of the House of Representatives for the care, maintenance, operation, and other expenses of the studio upon vouchers signed and approved in such manner as the committee shall prescribe. All moneys received by the Senate Recording Studio for disk, film, or tape recordings or from any other source, shall be deposited in the revolving fund established for the Senate Recording Studio by the preceding paragraph; moneys in such fund shall be available for disbursement therefrom upon vouchers signed and approved by the Sergeant at Arms for the care, maintenance, operation, and other expenses of the Senate Recording Studio.

"(i) (1) As soon as practicable after the date of enactment of this act but no later than September 30, 1956, the equity of the Joint Senate and House Recording Facility Revolving Fund shall be distributed equally to the Senate and House of Representatives on the basis of an audit to be made by the General Accounting Office.

"(2) The Sergeant at Arms of the Senate and the Clerk of the House of Representatives shall, subject to the approval of the committees mentioned in subsection (c) hereof, determine the assignment of existing studio facilities to the Senate and the House of Representatives, and also the existing equipment, materials, and supplies to be transferred to the respective studios. The evaluation of equipment, materials, and supplies transferred to each studio shall be on the basis of market value. Any other equipment, materials, and supplies determined to be obsolete or not needed for the operation of the respective studios shall be disposed of to the best interest of the Government and the proceeds thereof deposited in the Joint Senate and House Recording Facility Revolving Fund.

"(3) Accounts receivable, which on the effective date of liquidation, are due from Members and committees of the Senate shall be transferred to the Senate Studio, and those due from Members and committees of the House of Representatives shall be transferred to the House Studio.

"(4) A sufficient reserve shall be set aside from the Joint Senate and House Recording Facility Revolving Fund to liquidate any outstanding accounts payable.

"(5) After appropriate adjustments for the value of assets assigned or transferred to the Senate and House of Representatives, respectively, the balance in the Joint Senate and House Recording Facility Revolving Fund shall be distributed equally to the Senate and House of Representatives for deposit to the respective revolving funds authorized by this section.

"(j) Pending acquisition of the stock, supplies, materials, and equipment necessary to properly equip both studios, the present services and facilities shall be made available to both studios in order that each studio may carry out its duty.

"(k) No person shall be an officer or employee of the House or Senate Recording Studio while he is engaged in any other business, profession, occupation, or employment which involves the performance of duties which are similar to those which would be performed by him as such an officer or employee of such studio unless approved in writing by the committee in the case of the House Recording Studio and the Senate Committee on Rules and Administration in the case of the Senate Recording Studio.

"(l) The Joint Recording Facility positions and salaries established pursuant to the Legislative Branch Appropriation Act, 1948, and all subsequent acts are hereby abolished.

"(m) Effective with the completion of the transfer provided for by subsection (i) hereof the joint resolution entitled 'Joint resolution establishing in the Treasury of the United States a revolving fund within the contingent fund of the House of Representatives,' approved August 7, 1953 (2 U. S. C., sec. 123), is repealed.

"(n) The Director of the House Recording Studio shall give bond to the Clerk of the House of Representatives with one or more sureties in the penal sum of $20,000, with condition for the faithful performance of his duties and the preservation and security of all property in his care. The Director of the Senate Recording Studio shall give bond to the Sergeant at Arms of the Senate with one or more sureties in the penal sum of $20,000, with condition for the faithful performance of his duties and the preservation and security of all property in his care.

"(o) Such sums as may be necessary to carry out the provisions of this section are hereby authorized to be appropriated."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point on the Record and include a table and comments regarding it.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. NORRELL. Mr. Speaker, this bill, H. R. 11473, making appropriations for the legislative establishment for the fiscal year 1957, passed the House on May 29, 1956, carrying appropriations in the total amount of $89,376,450. Following a custom of many years' standing, the bill at that time did not include appropriations for Senate items, but did pro-

vide for the Library of Congress, the Government Printing Office and other miscellaneous activities identified with the legislative branch.

The bill was reported by the Senate Committee on Appropriations on June 14 with increases recommended in the total amount of $28,427,608, making a total in the bill of $117,804,058. The increase is, except for approximately $23,000, entirely applicable to the Senate items. The bill passed the Senate on June 18 without any change in the total appropriations recommended by the Senate Committee on Appropriations. The bill, as now agreed to, appropriates $117,804,058, which amount is $4,692,875 under the budget estimates.

In view of the discussion at the time the bill passed the Senate, I would like to insert at this time a table indicating a comparison between certain allowances made to Members of the Senate and Members of the House.

Compensation and allowances, Members of Congress

Item	Members of the House	Members of the Senate	Changes proposed for Senators in 1957 legislative bill
Compensation	$22,500	$22,500	
Mileage	1 round trip each regular session (20 cents per mile).	1 round trip each regular session (20 cents per mile).	
Stationery allowance	$1,200 a year	$1,800 a year	
Stamps (airmail and special delivery)	$200 a year	$300 a year	$400 a year.
Telephone (long distance)	3,000 minutes a year		
To and from Washington		Not to exceed 1,080 calls a year, involving not to exceed 5,400 minutes a year.	Not to exceed 1,440 calls a year, involving not to exceed 7,200 minutes a year.
Originating and terminating outside Washington plus additional for calls to and from Washington.		Not to exceed $1,200 allowance a year	
Telegrams	20,000 words a year, of which not to exceed 2,000 may be overseas cables.	No specified limit, except as provided by Rules and Administration Committee. Allowances are based on population and Western Union rates (details not available).	
Office space rental (home State)	$900 a year (not to exceed)	$900 a year (not to exceed)	$1,200 a year (not to exceed).
Office expenses (home State)	$150 quarterly (not to exceed)	$150 quarterly (not to exceed)	
Trip home by office employees		One round trip a year, at 10 cents per mile, for not to exceed 2 employees.	
Clerk hire allowance	$17,500 "basic" a year	On basis of State Population. Basic amounts not presently available.	
Maximum number of clerks	Not to exceed 8	No legal limit	
Maximum salaries of clerks	One at not to exceed $7,000 "basic" ($12,131 a year).	One at maximum rate of classification act (presently, $14,800); 1 at basic of $8,460 (gross of $14,301); others at not to exceed $5,100 basic (gross of $9,292).	In addition, 1 at $8,040 basic (gross of $13,677).

NOTE.—Item under Senate contingent fund, "Communications," provides up to $150 a year for each Senator for telephone or telegrams under certain conditions the details of which are not clear.

I realize that there is considerable sentiment on the part of many House Members to bring certain of these allowances more in line than they are at present.

The amendments just agreed to provide for, among other things, the dissolution of the Joint Recording Facility and the creation of separate facilities for the House and Senate. There seems to be a preponderance of opinion on both sides of the Capitol that better service and satisfaction will result from this change.

Finally, in connection with the Government Printing Office provision is made for broadening the use of the Government Printing Office revolving fund in order that certain repairs and improvements can be made in the physical plant.

NARCOTIC CONTROL ACT OF 1956

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 11619) to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Narcotic Control Act of 1956."

SEC. 2. Unlawful acquisition, etc., of marihuana.

Subsection (a) of section 4744 of the Internal Revenue Code of 1954 (unlawful acquisition of marihuana) is amended to read as follows:

"(a) Persons in general: It shall be unlawful for any person who is a transferee required to pay the transfer tax imposed by section 4741 (a)—

"(1) to acquire or otherwise obtain any marihuana without having paid such tax, or

"(2) to transport or conceal, or in any manner facilitate the transportation or concealment of, any marihuana so acquired or obtained.

Proof that any person shall have had in his possession any marihuana and shall have failed, after reasonable notice and demand by the Secretary or his delegate, to produce the order form required by section 4742 to be retained by him shall be presumptive evidence of guilt under this subsection and of liability for the tax imposed by section 4741 (a)."

SEC. 3. Unlawful transportation of marihuana.

Subsection (b) of section 4755 of the Internal Revenue Code of 1954 (unlawful transportation of marihuana) is amended to read as follows:

"(b) Transportation: Except as otherwise provided in this subsection, it shall be unlawful for any person to send, ship, carry, transport, or deliver any marihuana within any Territory, the District of Columbia, or any insular possession of the United States, or from any State, Territory, the District of Columbia, or any insular possession of the United States into any other State, Territory, the District of Columbia, or insular possession of the United States. Nothing contained in this subsection shall apply—

"(1) to any person who shall have registered and paid the special tax as required by sections 4751 to 4753, inclusive;

"(2) to any common carrier engaged in transporting marihuana;

"(3) to any employee acting within the scope of his employment for any person who shall have registered and paid the special tax as required by sections 4751 to 4753, inclusive, or to any contract carrier or other agent acting within the scope of his agency for such registered person;

"(4) to any person who shall deliver marihuana which has been prescribed or dispensed by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4753 and employed to prescribe for the particular patient receiving such marihuana;

"(5) to any person carrying marihuana which has been obtained by the person from a registered dealer in pursuance of a written prescription referred to in section 4742 (b) (2), issued for legitimate medical uses by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4753, if the bottle or other container in which such marihuana is carried bears the name and registry number of the druggist, serial number of prescription, name and address of the patient, and name, address, and registry number of the person issuing such prescription;

"(6) to any person carrying marihuana which has been obtained by the person as a patient from a registered physician, dentist, or other practitioner in the course of his professional practice if such marihuana is dispensed to the patient for legitimate medical purposes; or

"(7) to any United States, State, county, municipal, District, Territorial, or insular officer or official acting within the scope of his official duties."

SEC. 4. Violations of narcotic drug and marihuana laws.

Section 7237 of the Internal Revenue Code of 1954 (violations of laws relating to narcotic drugs and marihuana) is amended to read as follows:

"SEC. 7237. Violation of laws relating to narcotic drugs and to marihuana.

"(a) Where no specific penalty is otherwise provided: Whoever commits an offense,

or conspires to commit an offense, described in part I or part II of subchapter A of chapter 39 for which no specific penalty is otherwise provided, shall be imprisoned not less than 2 or more than 10 years and, in addition, may be fined not more than $20,000. For a second offense, the offender shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than $20,000. For a third or subsequent offense, the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than $20,000.

"(b) Sale or other transfer without written order: Whoever commits an offense, or conspires to commit an offense, described in section 4705 (a) or section 4742 (a) shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than $20,000. For a second or subsequent offense, the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than $20,000. If the offender attained the age of 18 before the offense and—

"(1) the offense consisted of the sale, barter, exchange, giving away, or transfer of any narcotic drug or marihuana to a person who had not attained the age of 18 at the time of such offense, or

"(2) the offense consisted of a conspiracy to commit an offense described in paragraph (1),

the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than $20,000.

"(c) Conviction of second or subsequent offense:

"(1) Prior offenses counted: For purposes of subsections (a), (b), and (d) of this section, subsections (c) and (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U. S. C., sec. 174), and the act of July 11, 1941, as amended (21 U. S. C., sec. 184a), an offender shall be considered a second or subsequent offender, as the case may be, if he previously has been convicted of any offense the penalty for which was provided in subsection (a) or (b) of this section or in—

"(A) subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act (21 U. S. C., sec. 174);

"(B) the act of July 11, 1941 (21 U. S. C., sec. 184a);

"(C) section 9 of the act of December 17, 1914 (38 Stat. 789);

"(D) section 1 of the act of May 26, 1922 (42 Stat. 596);

"(E) section 12 of the Marihuana Tax Act of 1937 (50 Stat. 556); or

"(F) section 2557 (b) (1) or 2596 of the Internal Revenue Code of 1939.

For purposes of determining prior offenses under the preceding sentence, a reference to any subsection, section, or act providing a penalty for an offense shall be considered as a reference to such subsection, section, or act as in effect (as originally enacted or as amended, as the case may be) with respect to the offense for which the offender previously has been convicted.

"(2) Procedure. After conviction (but before pronouncement of sentence) of any offense the penalty for which is provided in subsection (a) or (b) of this section, subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended, or such act of July 11, 1941, as amended, the court shall be advised by the United States attorney whether the conviction is the offender's first or a subsequent offense. If it is not a first offense, the United States attorney shall file an information setting forth the prior convictions. The offender shall have the opportunity in open court to affirm or deny that he is identical with the person previously convicted. If he denies the identity, sentence shall be postponed for such time as to permit a trial before a jury on the sole issue of the offender's identity with the person previously convicted. If the offender is found by the jury to be the person previously convicted, or if he acknowledges that he is such person, he shall be sentenced as prescribed in subsection (a) or (b) of this section, subsection (c) or (h) of such section 2, or such act of July 11, 1941, as amended, as the case may be.

"(d) No suspension of sentence; no probation; etc. Upon conviction—

"(1) of any offense the penalty for which is provided in subsection (b) of this section, subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended, or such act of July 11, 1941, as amended, or

"(2) of any offense the penalty for which is provided in subsection (a) of this section, if it is the offender's second or subsequent offense,

the imposition or execution of sentence shall not be suspended, probation shall not be granted, section 4202 of title 18 of the United States Code shall not apply, and the act of July 15, 1932 (47 Stat. 696; D. C. Code 24–201 and following), as amended, shall not apply.

"(e) Use of Communications Facilities:

"(1) Penalties: Whoever uses any communication facility in committing or in causing or facilitating the commission of, or in attempting to commit, any act or acts constituting an offense or a conspiracy to commit an offense the penalty for which is provided in—

"(A) subsection (a) or (b) of this section,

"(B) subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act (21 U. S. C., sec. 174), or

"(C) the act of July 11, 1941 (21 U. S. C., sec. 184a),

shall be imprisoned not less than 2 nor more than 5 years and, in addition, may be fined not more than $5,000. Each separate use of a communication facility shall be a separate offense under this paragraph.

"(2) Communication facility defined: For purposes of this subsection, the term 'communication facility' means any and all public and private instrumentalities used or useful in the transmission of writings, signs, signals, pictures, and sounds of all kinds by mail, telephone, wire, radio, or other means of communication.

"(f) Unlawful disclosure of information on returns and order forms: Any person who shall disclose the information contained in the statements or returns required under section 4732 (b) or 4754 (a), in the duplicate order forms required under section 4705 (e), or in the order forms or copies thereof referred to in section 4742 (d), except—

"(1) as expressly provided in section 4773,

"(2) for the purpose of enforcing any law of the United States relating to narcotic drugs or marihuana, or

"(3) for the purpose of enforcing any law of any State or Territory or the District of Columbia, or any insular possession of the United States, or ordinance of any organized municipality therein, regulating the sale, prescribing, dispensing, dealing in, or distribution of narcotic drugs or marihuana.

shall be fined not more than $2,000 or imprisoned not more than 5 years or both."

SEC. 5. Immunity of witnesses; appeal from order to suppress evidence or return property.

(a) In General: Subchapter E of chapter 76 of the Internal Revenue Code of 1954 (relating to judicial proceedings) is amended by adding at the end thereof the following new section:

"SEC. 7494. Special provisions relating to narcotic drugs and marihuana

"(a) Immunity of witnesses: Whenever in the judgment of a United States attorney the testimony of any witness, or the production of books, papers, or other evidence by any witness, in any case or proceeding before any grand jury or court of the United States involving any violation of—

"(1) any provision of part I or part II of subchapter A of chapter 39 the penalty for which is provided in subsection (a) or (b) of section 7237,

"(2) subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U. S. C., sec. 174), or

"(3) the act of July 11, 1941, as amended (21 U. S. C., sec. 184a),

is necessary to the public interest, he, upon the approval of the Attorney General, shall make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this subsection, and upon order of the court such witness shall not be excused from testifying or from producing books, papers, or other evidence on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no such witness shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled be used as evidence in any criminal proceeding (except prosecution described in the next sentence) against him in any court. No witness shall be exempt under this subsection from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this subsection.

"(b) Appeal from order to suppress evidence or return property: In addition to any other right to appeal the United States shall have the right to appeal from an order granting a motion for the return of seized property and to suppress evidence made before the trial of a person charged with a violation of—

"(1) any provision of part I or part II of subchapter A of chapter 39 the penalty for which is provided in subsection (a) or (b) of section 7237,

"(2) subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U. S. C., sec. 174), or

"(3) the act of July 11, 1941, as amended (21 U. S. C., sec. 184a).

This subsection shall not apply with respect to any such motion unless the United States attorney shall certify, to the judge granting such motion, that the appeal is not taken for purposes of delay. Any appeal under this subsection shall be taken within 30 days after the date the order was entered and shall be diligently prosecuted."

(b) Amendment of table of sections: The table of sections for subchapter E of chapter 76 is amended by adding at the end thereof the following:

"Sec. 7494. Special provisions relating to narcotic drugs and marihuana."

SEC. 6. Discovery of liability; enforcement.

(a) In general: Subchapter A of chapter 78 of the Internal Revenue Code of 1954 (discovery of liability and enforcement of title) is amended by renumbering section 7607 as section 7608 and by inserting after section 7606 the following new section:

"SEC. 7607. Special provisions relating to narcotic drugs and marihuana.

"(a) Powers of Bureau of Narcotics: The Commissioner, Deputy Commissioner, Assistant to the Commissioner, and agents, of the Bureau of Narcotics of the Department of the Treasury may—

"(1) carry firearms, execute and serve search warrants and arrest warrants, and serve subpenas and summonses issued under the authority of the United States, and

"(2) make arrests without warrant for violations of any law of the United States relat-

ing to narcotic drugs (as defined in section 4731) or marihuana (as defined in section 4761) where the violation is committed in the presence of the person making the arrest or where such person has reasonable grounds to believe that the person to be arrested has committed or is committing such violation.

"(b) Issuance of search warrants: In any case involving a violation of any provision of part I or part II of subchapter A of chapter 39 the penalty for which is provided in subsection (a) or (b) of section 7237, a violation of subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U. S. C., sec. 174), or a violation of the act of July 11, 1941, as amended (21 U. S. C., sec. 184a)—

"(1) a search warrant may be served at any time of the day or night if the judge or the United States Commissioner issuing the warrant is satisfied that there is probable cause to believe that the grounds for the application exist, and

"(2) a search warrant may be directed to any officer of the Metropolitan Police of the District of Columbia authorized to enforce or assist in enforcing a violation of any of such provisions."

(b) Amendment of table of sections: The table of sections for subchapter A of chapter 78 is amended by striking out.

"Sec. 7607. Cross references."

and inserting in lieu thereof

"Sec. 7607. Special provisions relating to narcotic drugs and marihuana.

"Sec. 7608. Cross references."

SEC. 7. Importation, etc., of Narcotic Drugs.

Section 2 (c) of the Narcotic Drugs Import and Export Act, as amended (U. S. C., title 21, sec. 174), is amended to read as follows:

"(c) Whoever fraudulently or knowingly imports or brings any narcotic drug into the United States or any territory under its control or jurisdiction, contrary to law, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of any such narcotic drug after being imported or brought in, knowing the same to have been imported or brought into the United States contrary to law, or conspires to commit any of such acts in violation of the laws of the United States, shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than $20,000. For a second or subsequent offense (as determined under section 7237 (c) of the Internal Revenue Code of 1954), the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than $20,000.

"Whenever on trial for a violation of this subsection the defendant is shown to have or to have had possession of the narcotic drug, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains the possession to the satisfaction of the jury.

"For provision relating to sentencing, probation, etc., see section 7237 (d) of the Internal Revenue Code of 1954."

SEC. 8. Smuggling of marihuana.

Section 2 of the Narcotic Drugs Import and Export Act, as amended, is amended by adding at the end thereof the following:

"(h) Notwithstanding any other provision of law, whoever, knowingly, with intent to defraud the United States, imports or brings into the United States marihuana contrary to law, or smuggles or clandestinely introduces into the United States marihuana which should have been invoiced, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of such marihuana after being imported or brought in, knowing the same to have been imported or brought into the United States contrary to law, or whoever conspires to do any of the foregoing acts, shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than $20,000. For a second or subsequent offense (as determined under section 7237 (c) of the Internal Revenue Code of 1954), the offenders shall be imprisoned for not less than 10 or more than 40 years and, in addition, may be fined not more than $20,000.

"Whenever on trial for a violation of this subsection, the defendant is shown to have or to have had the marihuana in his possession, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains his possession to the satisfaction of the jury.

"As used in this subsection, the term 'marihuana' has the meaning given to such term by section 4761 of the Internal Revenue Code of 1954.

"For provision relating to sentencing, probation, etc., see section 7237 (d) of the Internal Revenue Code of 1954."

SEC. 9. Unlawful possession of narcotic drugs and marihuana on vessels.

(a) In general: Subsection (a) of the first section of the act of July 11, 1941 (21 U. S. C., sec. 184a), is amended by striking out "fined not more than $5,000 or be imprisoned for not more than 5 years, or both," and inserting in lieu thereof "imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than $20,000. For a second or subsequent offense (as determined under section 7237 (c) of the Internal Revenue Code of 1954), the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than $20,000. For provision relating to sentencing, probation, etc., see section 7237 (d) of the Internal Revenue Code of 1954."

(b) Correction of reference: Subsection (b) of such section is amended by striking out "chapter 23 of the Internal Revenue Code, as amended," and inserting in lieu thereof "subchapter A of chapter 39 of the Internal Revenue Code of 1954."

SEC. 10. Territorial extent of law.

Section 4774 of the Internal Revenue Code of 1954 (territorial extent of certain laws relating to narcotic drugs and marihuana) is amended by adding at the end thereof the following: "On and after the effective date of the Narcotic Control Act of 1956, the provisions referred to in the preceding sentence shall not apply to the Commonwealth of Puerto Rico unless the Legislative Assembly of the Commonwealth of Puerto Rico expressly consents thereto in the manner prescribed in the constitution of the Commonwealth of Puerto Rico for the enactment of a law."

SEC. 11. Effective date.

The amendments made by this act shall take effect on the day following the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 11619 embodies the recommendations of the Subcommittee on Narcotics of the Committee on Ways and Means. This subcommittee conducted hearings in various cities throughout the country and reviewed all problems relating to narcotic addiction as well as the abuse of barbiturates and amphetamines.

At this point I would like to commend very highly the excellent work of the Subcommittee on Narcotics under the chairmanship of Hon. HALE BOGGS, of Louisiana. This is the most complete review of the illicit traffic in drugs which has ever been conducted by the Committee on Ways and Means. The subcommittee worked very diligently; and, in my opinion, the recommendations which are embodied in H. R. 11619 will greatly strengthen the efforts of Federal enforcement officials and Federal judges in combating the illicit traffic in narcotics and marihuana.

Hon. HALE BOGGS, as chairman of the Subcommittee on Narcotics, introduced H. R. 11619 carrying out the recommendations of his subcommittee. Hon. HOWARD BAKER, of Tennessee, introduced an identical bill, H. R. 11620. The subcommittee decided against recommending that barbiturates and amphetamines be subjected to regulatory taxation and penalties similar to those applicable to narcotics and marihuana. The subcommittee recommended that barbiturates and amphetamines be subjected to more stringent Federal control by the device of registration of persons dealing in these drugs. This, of course, would have to be undertaken through the power of the Federal Government to regulate interstate commerce.

Mr. BOGGS, as chairman of the subcommittee, and Hon. JOHN W. BYRNES, of Wisconsin, as a member of the subcommittee, introduced identical bills carrying out these recommendations, which bills were referred to the House Committee on Interstate and Foreign Commerce. It is my hope that that committee will act favorably on these bills.

NARCOTIC CONTROL ACT OF 1956

Section 1 of H. R. 11619 states that the act may be cited as the "Narcotic Control Act of 1956."

VENUE IN MARIHUANA CASES

The Bureau of Narcotics has encountered difficulty in prosecuting persons who have been apprehended violating the marihuana laws due to the fact that venue lies in the jurisdiction where the marihuana is acquired or obtained without having paid the required tax. Section 2 of the bill provides that it will be an offense to transport or conceal marihuana and therefore will provide venue in the jurisdiction where violators are apprehended.

UNLAWFUL TRANSPORTATION OF MARIHUANA

Section 3 of the bill broadens the application of section 4755 of the Internal Revenue Code of 1954 to make it unlawful for any person to send, carry, or otherwise transport marihuana. At the present time section 4755 is applicable only to persons who shall not have paid the special tax and registered pursuant to law. Exceptions from the amended provisions would be provided for certain persons and their employees such as registrants.

PENALTIES

Under present law the penalties contained in the Internal Revenue Code provide for a minimum mandatory sentence

of 2 years for a first offender with a permissive maximum up to 5 years. A second offender is subject to a minimum mandatory sentence of 5 years with a permissive sentence up to 10 years. A third and subsequent offender is subject to a minimum mandatory sentence of 10 years with a permissive maximum up to 20 years. No distinction is made in present law as between a possessor and a trafficker. Present law also provides a mandatory fine for all offenses of up to $2,000. In the case of first offenders, probation and suspension of sentence is permitted. This is not true in the case of second and subsequent offenders.

The bill, in section 4, provides for increased penalties for violations of the narcotic and marihuana laws. In the case of possessors, the same minimum mandatory sentences would be applied under the bill as in present law. The bill raises the permissive maximum sentences from 5 to 10 years in the case of a first offender, 10 to 20 years in the case of a second offender, and 20 to 40 years in the case of a third and subsequent offender. The bill also provides for a discretionary fine for all offenses of up to $20,000.

A distinction would be made between the possessors and traffickers. Traffickers would be subject to a minimum mandatory sentence of 5 years and a permissive maximum sentence of up to 20 years. Second and subsequent offenders would be subject to a minimum mandatory sentence of 10 years with a permissive maximum sentence of up to 40 years. An adult who sells or otherwise furnishes a minor (a person under the age of 18) marihuana or narcotics, would be subject to a minimum mandatory sentence of 10 years with a permissive maximum sentence up to 40 years.

Probation, suspension of sentence, and parole would be permitted only in the case of a first offender possessor.

The bill would make the Federal law applicable to the District of Columbia in lieu of the present indeterminate sentences.

The bill adds a new provision to the Internal Revenue Code, making it an offense for any person to use any communication facility in committing a violation of the narcotic and marihuana laws. Such violations would be subject to a minimum mandatory sentence of 2 years with a permissive maximum sentence of up to 5 years. In addition, a discretionary fine of up to $5,000 could be imposed.

Section 4 of the bill also amends present provisions relating to the unlawful disclosure of information on returns and order forms by Federal Government personnel. At the present time these offenses are subject to the schedule of penalties which are provided for other narcotic and marihuana violations.

The bill would amend these penalties to provide that such an offender would be subject to imprisonment of not more than 5 years, a mandatory fine of not more than $2,000, or both.

As a practical matter, it is inconceivable that such a violator would be retained in the Federal service; therefore, there would appear to be no reason to have a schedule of penalties based on the number of offenses committed.

IMMUNITY OF WITNESSES AND APPEAL FROM AN ORDER TO SUPPRESS EVIDENCE OR RETURN PROPERTY

Section 5 of the bill would add a new provision to the Internal Revenue Code providing that a United States attorney who feels that the testimony and other evidence of a witness is necessary in the public interest may, upon the approval of the Attorney General, apply to the court, requesting that the witness be instructed to testify or produce evidence. If a court order is granted to this effect, the witness cannot be excused on the grounds that such testimony or evidence may tend to incriminate him. Such a witness would be provided with immunity from prosecution based on such testimony or evidence as he may give under compulsion.

At the present time there is a divergence in the courts in the granting of motion to return seized property and to suppress evidence, and the Government cannot appeal from such an order. The bill would give the Government the right to appeal.

ENFORCEMENT

The bill would specify that personnel of the Bureau of Narcotics may carry firearms, execute and serve search warrants and arrest warrants, and serve subpenas and summonses issued under the authority of the United States.

Where violations of the narcotic or marihuana laws are committed in the presence of Bureau personnel or where such personnel has reasonable grounds to believe that a person to be arrested has committed or is committing such violations, the Bureau personnel would be permitted to make arrests without a warrant.

The bill also provides in section 6 that a search warrant may be served at any time of the day or night if the judge or Commissioner issuing the warrant is satisfied that there is probable cause to believe that the grounds for the application exist. This eliminates the present stringent rule of positiveness in the affidavit which now requires evidence that the narcotic drugs sought to be taken under the warrant are in the premises to be searched.

Metropolitan police officers of the District of Columbia would be permitted to receive and execute search warrants issued pursuant to the general laws of the United States. As the present time these officers are not considered to be civil officers of the United States.

IMPORTATION, ETC., OF NARCOTIC DRUGS

Section 7 would provide the same penalties as are provided in section 4 for traffickers for violations of the Narcotic Drugs Import and Export Act. At the present time violations of this act call for the same penalties as now provided for violations of the Internal Revenue laws relating to narcotics and marihuana.

SMUGGLING OF MARIHUANA

At the present time smuggling of marihuana is punished under the general smuggling laws of the United States. Section 8 of the bill would amend the Narcotic Drugs Import and Export Act so as to provide a specific penalty for the smuggling of marihuana. The penalties would be the same as are provided in section 4 for traffickers.

UNLAWFUL POSSESSION OF NARCOTIC DRUGS AND MARIHUANA ON VESSELS

At the present time unlawful possession of narcotic drugs and marihuana on vessels is punished by a fine of not more than $5,000, imprisonment for not more than 5 years, or both. The bill would amend these penalties so as to provide the same penalties as contained in section 4 for traffickers.

TERRITORIAL EXTENT OF THE LAW

Section 10 of the bill amends section 4774 of the Internal Revenue Code of 1954 so as to clarify the territorial extent of the provisions referred to in section 4774 so that on and after the effective date of H. R. 11619 these provisions would not be applicable to the Commonwealth of Puerto Rico unless the Legislative Assembly of the Commonwealth expressly consents thereto in the manner prescribed in the constitution of the Commonwealth for the enactment of a law.

EFFECTIVE DATE

H. R. 11619 would be effective on the day following the date of enactment.

Mr. Speaker, as long as we have one drug addict in the United States, we will have a very serious social problem. I believe that enactment of H. R. 11619 will be very instrumental in combating the illicit traffic in narcotics and marihuana and will be a big step toward the day which we all hope for when we will be able to completely eliminate this blight from our society.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 11619 incorporates the recommendations of the Subcommittee on Narcotics of the Committee on Ways and Means. The subcommittee held 15 days of public hearings in Washington, D. C.; Lexington, Ky.; New York City, N. Y.; San Francisco, Calif.; Seattle, Wash.; and Chicago, Ill. In its investigation and study, the subcommittee received the complete cooperation of the Departments of the Treasury, Defense, Justice, and Health, Education, and Welfare. The staff of the Bureau of Narcotics was particularly helpful to the subcommittee in its work.

The various technical provisions of the bill before us have already been explained in considerable detail. In general, the bill provides more severe penalties for violations; authorizes Federal enforcement officials to perform certain functions necessary to the apprehension of violators; improves the venue provisions of the present marihuana law; and makes available to Federal enforcement officials certain enforcement procedure not presently available.

This bill was reported unanimously by the Committee on Ways and Means. It has as its objective the eradication of one of the most serious social problems con-

fronting the American people today—the illicit trafficking in narcotic drugs and marihuana and their illegal uses.

This evil commerce in narcotic drugs and marihuana has devasted the lives of thousands of addicts and has deprived the affected communities and the nation of what otherwise would have been the addict's useful contribution to society. The existence of drug addiction has been described as a "social malignancy" because of the manner in which this dread affliction breeds its own furtherance and destroys those who fall victims of its compulsion.

A current estimate by the Federal Bureau of Narcotics of the number of persons addicted to drugs in the United States indicates there about 60,000 addicts, or an incidence of about 1 for each 3,000 population. It has been estimated that the high cost of illicit drugs requires that an addict spends from $50 to $100 per week to maintain his addiction. The average addict spends approximately $10 a day for narcotics and with an estimated 60,000 addicts in this country, approximately $600,000 is spent daily and $219 million annually for drugs obtained through illicit sources.

Mr. Speaker, the minority members of the Committee on Ways and Means were represented on the narcotics subcommittee by my distinguished colleagues, Representative BYRNES of Wisconsin, Representative SADLAK of Connecticut, and Representative BAKER of Tennessee. I believe that the House should know that each of these minority Members has introduced legislation designed to implement the recommendations of the subcommittee. Again, I would like to emphasize that the pending bill was reported unanimously by the Committee on Ways and Means.

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker, I would like to commend the distinguished chairman of the Committee on Ways and Means for the able explanation of the provisions of the bill under consideration in this distinguished body today, H. R. 11619. It has been the chairman's leadership in the committee that has made such an important contribution to the development of this legislation designed to eradicate the illicit trafficking in the narcotics and marihuana.

In the closing days of the 1st session of the 84th Congress, Chairman COOPER appointed a Subcommittee on Narcotics on which it has been my privilege to serve as chairman. My colleagues on the subcommittee were the Honorable FRANK M. KARSTEN; EUGENE J. MCCARTHY; FRANK IKARD; JOHN W. BYRNES, of Wisconsin; ANTONI N. SADLAK; and HOWARD H. BAKER.

The principal purpose of the subcommittee was to determine the effect of Public Law 255 of the 82d Congress on the illicit traffic in narcotics. The subcommittee also obtained information and testimony on the barbiturate and amphetamine problem to determine the need for subjecting barbiturates and amphetamines to a type of control similar to that now applicable to narcotics.

The subcommittee in its work conducted 15 days of public hearings in Washington, D. C.; Lexington, Ky.; New York, N. Y.; San Francisco, Calif.; Seattle, Wash.; and Chicago, Ill. In addition, the subcommittee met several times in executive session to carefully consider the results of its investigation and to formulate its recommendations to the Committee on Ways and Means. The legislation before the House is the result of that subcommittee's work and the efforts of the full Committee on Ways and Means. My subcommittee colleagues, the Honorable JOHN BYRNES of Wisconsin, and the Honorable HOWARD H. BAKER, of Tennessee, have also sponsored legislation dealing with the narcotic and marihuana problem. Mr. BYRNES' bill was H. R. 11107, Mr. BAKER'S bills were H. R. 11155 and H. R. 11620.

During the public hearings conducted by the subcommittee, testimony was received from 108 witnesses including Federal, State, and local officials, medical and pharmaceutical groups, civic organizations, and interested individuals. In addition, a considerable amount of pertinent information was submitted to the committee for the record which has been carefully studied by the Subcommittee on Narcotics.

In the case of narcotics and marihuana the testimony pertained to the scope and operation of present law with its related effects on addiction, recidivism, probation, and suspension of sentence. A study was made of the trends in addiction with particular reference to the age of addicts. Trends in violations and sentences for a period of time before and after the enactment of Public Law 255 of the 82d Congress were also studied. It will be recalled that Public Law 255 for the first time imposed minimum mandatory sentences for narcotic violators. The subcommittee also considered recommendations as to the use of wiretapping in narcotic cases, cooperation by the Federal, State, and local narcotic officials, and other related views concerned with the narcotic problem. The printed record of the activity of the Subcommittee on Narcotics is set forth in the hearings of 1,633 pages and a subcommittee report of 33 pages.

The legislative record of the Subcommittee on Narcotics is represented by H. R. 11619. I am confident that with favorable consideration by the Congress of this legislation, the accomplishment record of the subcommittee will reflect a substantial curtailment in the illicit trafficking in narcotics and marihuana.

During the course of the hearings about the country, I believe the subcommittee membership was particularly impressed by three principal points. These are: First, the terrible nature of drug addiction, its destructive consequences on the individual, and its pestilential effect upon society; second, the difficulty encountered by enforcement officials under present law in effectively bringing about the apprehension of narcotic violators and obtaining their conviction in the courts; and, third, the fact that in judicial districts where the judges have a record of imposing severe sentences for narcotic violations, the traffic has either disappeared or is waning, and in judicial districts where leniency with respect to narcotic violators is the pattern in the courts, the illicit traffic is flourishing.

H. R. 11619 is designed to cope with these three impressions that were derived by the subcommittee during its study of this subject. Drug addiction is not a disease, but is a symptom of a mental or psychiatric disorder. Convincing testimony was presented to the Subcommittee on Narcotics that the most effective way of eliminating addiction was through the eradication of the illicit trafficking in drugs. By eliminating this unlawful traffic, we will be drying up the source of supply available to present addicts and will be greatly diminishing the likelihood of the creation of new addicts.

To accomplish the end of removing the illicit traffic from our midst, it was concluded by the Subcommittee on Narcotics, and by the Committee on Ways and Means, that improvements in present law relating to enforcement were necessary. Accordingly, H. R. 11619 will provide for, first, authorization for more effective searches and seizures in narcotic cases; second, authority for Federal agents to carry firearms, to execute and serve warrants, and to make arrests without warrants for narcotic violations under certain circumstances; third, a statutory method to grant immunity to witnesses in cases involving a violation of the narcotic or marihuana laws; fourth, the United States to have the right of appeal from certain court orders granting a defendant a motion to suppress evidence or to return seized property; and fifth, the strengthening of the applicable venue provisions so that venue in marihuana cases would lie within the jurisdiction in which a trafficker was apprehended as well as in the jurisdiction of acquisition.

Effective steps to eliminate the unlawful drug traffic requires not only vigorous enforcement but also the imposition of severe punishment by the courts. Prior to the enactment of the so-called Boggs Act in the 82d Congress, the average narcotics sentence was 18 months. At the present time the average narcotics sentence is 43 months. While the imposition of heavier sentences has done much to reduce the existence of repeat narcotic law offenders, there is a growing occurrence of hoodlums being recruited as drug traffickers. This arises from the fact that many courts have granted probation or suspended sentences in the case of drug violators with no record of previous drug convictions. H. R. 11619 would correct this problem by denying the trafficker the opportunity for probation, suspension of sentence, or parole.

With respect to the trafficker, the minimum mandatory sentences would be increased from 2 years to 5 years for the first offense, and not less than 10 years for a second or subsequent offense. Maximum sentences would be increased to 20 years and 40 years, respectively, for first offenses, and for second and subsequent offenses.

The increased penalties that are set forth in H. R. 11619, as described by the distinguished chairman of the Committee on Ways and Means, are fully warranted by the reprehensible nature of the crime of abetting drug addiction by engaging in the illicit narcotic and marihuana traffic. In the past, the problems encountered by Federal enforcement officials in the fulfillment of their responsibilities have been aggravated by the early return of violators to the drug traffic. These Federal enforcement officials have found that by the time a gang of drug violators was apprehended, the case processed through the courts, and violators sentenced, a previous gang that had gone through the same procedure was out of prison and had returned to the illicit drug traffic.

Therefore, Mr. Speaker, it is imperative that the Congress act as promptly as possible to enact legislation that will aid in the enforcement of our narcotic and marihuana laws, and that will severely punish those individuals who are determined to be violators of these laws. H. R. 11619 would accomplish these objectives. It is for that reason that I support the enactment of this important legislation and urge my esteemed colleagues in the House to join me in this purpose.

As chairman of the Subcommittee on Narcotics of the Committee on Ways and Means, I would like to express my appreciation to the many public officials and private citizens who cooperated with the subcommittee in its work. These people have selflessly lent their time and energies to the successful completion of the subcommittee's assigned task. I would particularly like to express my personal gratitude to the Commissioner of Narcotics, the Honorable H. J. Anslinger. Also deserving of special appreciation is Mr. Henry J. Giordano, who served the subcommittee as chief investigator, and who came to us on loan from the Bureau of Narcotics. Mr. Giordano worked in an extremely effective manner with the subcommittee in all phases of its work.

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana

There was no objection.

Mr. BOGGS. Mr. Speaker, the House has just passed by unanimous consent a very comprehensive narcotics bill. This bill had been reported unanimously by the Ways and Means Committee by a vote of 25 to nothing. In my opinion, and in the opinion of the subcommittee which worked on this legislation for about 6 months, it is the most comprehensive approach to this problem that we have ever brought before this body, and I should like the opportunity to thank the chairman of the Ways and Means Committee, the gentleman from Tennessee [Mr. COOPER] for the splendid cooperation we have had, also the gentleman from New York [Mr. REED], ranking minority member, and the members; also Mr. Anslinger, Commissioner of Narcotics, and all the other people and staff members who have cooperated to make this legislation possible.

GENERAL LEAVE TO EXTEND ON THE BILL

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the bill at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. WESTLAND. Mr. Speaker, passage of H. R. 11619 will provide heavier penalties for dope peddlers, and for persons in possession of narcotics. Such legislation has been long needed in our country.

There are about 60,000 dope addicts in our Nation today. These unfortunate persons have been led into a practice that can only be described as living death. Many of them are young and face shattered lives and early death because of the nefarious activities of "pushers" or dope peddlers.

This bill has firmed up the policies on imprisonment of these purveyors of narcotics. We have upped the mandatory minimum and extended the permissive maximums for first offenders. I do not think the degree of offense should be of major consideration in this type of traffic. The first offense may have cost the useful lives of hundreds of our citizens. Stiff penalties for any traffic in narcotics would be an effective means of curtailing the number of persons willing to risk capture to engage in this degrading crime.

I voted for the House bill as a step in the right direction. The Senate bill goes much further. I wonder if we in the House have taken maximum advantage of the opportunity to stamp out dope traffic by making the penalties so severe that criminally minded persons would shun it? The saving of thousands of lives every year would be worth millions to the Nation, in addition to being one of the most humane actions that Congress could take.

An illustration of the effective curtailment of the dope racket is the city of Seattle, part of which is in my congressional district. Two Federal judges in that city, Judges Bowen and Lindberg, have taken firm stands against narcotics violators and have issued stiff sentences to convicted peddlers. The drug traffic is considered one of the most profitable of crimes, but the penalties inflicted in Seattle have succeeded in making the business unattractive to the criminal element, and narcotics authorities agree that it is one of the cleanest port cities in the United States as far as dope peddling is concerned. They credit these two judges with keeping the traffic down to a furtive minimum.

One factor in the apprehension of narcotics violators on which we in the House have not fulfilled our duty is the necessity for telephone surveillance. This is called wiretapping in the vernacular and has been bruited around as a nasty word. By use of the telephone tap, narcotics agents can trace the activities of the behind-the-scenes "big boy" who directs the activities of his underlings from the safety and obscurity of a telephone.

We in the House kept this provision out of our bill because it was opposed in the Senate committee. I believe the public has faith in the Narcotics Bureau, and would like to see them have every weapon at their command to haul in these big shots who are masterminding this terrible, killing, depraved traffic in human destinies. Without peddlers there would be no addicts. I believe we have the obligation to carry this legislation further, if not in this session, early in the next, to include the telephone tap. The Bureau of Narcotics has stated that this device would be one of the greatest deterrents to dope peddling that could be employed.

TRANSFER OF DISTILLED SPIRITS

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means I ask unanimous consent for the immediate consideration of the bill (H. R. 11714) to extend for 3 years the existing authority of the Secretary of the Treasury in respect of transfers of distilled spirits for purposes deemed necessary to meet the requirements of the national defense, which was reported favorably by the Committee on Ways and Means.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5217 (c) of the Internal Revenue Code of 1954 is amended by striking out "July 11, 1956" and inserting in lieu thereof "July 11, 1959."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, section 5217 of the Internal Revenue Code of 1954 now authorizes the transfer of distilled spirits between various types of producing plants and warehousing facilities when the Secretary of the Treasury deems it necessary in the interest of national defense. The section also permits the Secretary to temporarily waive the application of any of the internal revenue laws relating to distilled spirits, except those imposing the tax, in order to meet the requirements of national defense. However, the authority contained in section 5217 expires on July 11, 1956.

H. R. 11714 would extend the authority to make emergency transfers and to waive application of the internal revenue laws relating to distilled spirits until July 11, 1959.

While the authority to waive application of the internal revenue laws relating to distilled spirits is not now being used, the need for it might arise on short notice. The authority to make transfers between producing plants and warehousing facilities is being used to great advantage at the present time. There-

fore, it is desirable to extend the application of section 5217 for 3 years.

The bill was reported unanimously by the Committee on Ways and Means and I urge its approval by the House.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 11714 extends for 3 years the existing authority of the Secretary of the Treasury in respect to transfers of distilled spirits for purposes deemed necessary to meet the requirements of the national defense.

Under present law, this authority expires on July 11 of this year. For this reason, it is necessary that the Congress act expeditiously in order that the pending bill may become law before that date. This bill has the approval of the Department of the Treasury and was reported unanimously by the Committee on Ways and Means.

MAJ. WALTER REED ET AL.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5590, an act to amend the act entitled "An act to recognize high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including therein the name of Gustaf E. Lambert, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, line 5, after "filed", insert "with the Veterans' Administration."

Page 2, line 6, after "act", insert "and payment of any such benefits shall be made by the Veterans' Administration."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 430)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a report of the National Advisory Council on International Monetary and Financial Problems, submitted to me through its Chairman, covering its operations from July 1 to December 31, 1955, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 20, 1956.*

ANNUAL REPORT OF THE OFFICE OF ALIEN PROPERTY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with accompanying papers, referred to the Committee on Interstate and Foreign Commerce.

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 20, 1956.*

SPECIAL ORDER

Mr. JOHNSON of California. Mr. Speaker, last week I obtained a special order to address the House for 30 minutes today, which I would like to have vacated and I ask unanimous consent to address the House for 30 minutes on next Wednesday, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

NARCOTICS

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I want to add my word of pleasure at the passage of the narcotics bill H. R. 11619, introduced by my distinguished colleague from Louisiana [Mr. BOGGS]. It is many years since I first became aware of the terrible menace of narcotics addiction—many years since I started doing the little one person can do in such a vast sea of crime. Long ago I realized that unless the penalties for the illegal sale of drugs, especially to minors, were made much more severe there would be no surcease. These infamous people do not commit just a single murder, they are responsible for a form of mass murder directed most of all against women and young people. May I take this moment to thank my eminent colleague the gentleman from Louisiana [Mr. BOGGS] for his fine courage in bringing this bill to the floor. By its unanimous vote the membership of this House has shown its determination to do its full share in destroying this menace.

In earlier days the laws of Ohio were lenient and peddlers came in from other States in such numbers that the Federal Bureau had to double and treble its agents in our State. However, Ohio stiffened her narcotic laws and since then these ghouls have been less troublesome. It will be a wonderful day for America when we have cleaned out this menace.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file an intermediate report, and any member to file minority or accompanying views, and that if such minority or accompanying views are filed today they shall be printed with the majority report; otherwise the majority report shall be printed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, I assume that the additional views and the majority views will all be printed together?

Mr. McCORMACK. As I have said in my unanimous consent request, if the minority views are filed in time with the Public Printer, they will be incorporated in one report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 73]

Adair	Durham	Prouty
Barrett	Eberharter	Richards
Bass, Tenn.	Gamble	Sadlak
Bell	Hoffman, Ill.	St. George
Blatnik	Kelley, Pa.	Saylor
Brooks, La.	King, Calif.	Shelley
Brooks, Tex.	Krueger	Sieminski
Carlyle	Lane	Taylor
Carnahan	Long	Thompson, La.
Chatham	McConnell	Thornberry
Chudoff	Morrison	Vursell
Cretella	Nelson	Wickersham
Davidson	O'Hara, Minn.	Wilson, Calif.
Diggs	Patman	Wolcott
Dodd	Patterson	Zelenko
Dowdy	Powell	

The SPEAKER. Three hundred and eighty-two Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FARM LOAN PROGRAMS

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 542 and ask for its present consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Virginia is recognized for 1 hour.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the distinguished minority leader, former member of the Committee on Rules; and I yield myself such time as I may consume.

Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, House Resolution 542 makes in order the consideration of H. R. 11544, to amend the Bankhead-Jones Farm Tenant Act to improve and simplify the credit facilities available to farmers.

The resolution provides for an open rule and 1 hour of general debate.

H. R. 11544 authorizes the refinancing of existing indebtedness of eligible farmers on family-size farms if the borrowers are unable to meet the terms and conditions of their outstanding indebtedness and are unable to refinance through any other lending agency. The FHA is authorized to accept second mortgages for direct loans for this purpose, but not for insured loans.

Provision is also made, for the first time, to allow the FHA to make loans for real estate and development and operating expenses to part-time farmers, providing that they have depended on agriculture for a living for at least 1 year of the most recent 10 and are conducting a substantial farm operation at the time they make application for loans.

New authorization is added to make loans to bona fide farmers who are owners and operators of smaller than family-size units. The bill permits the use of normal market value as the basis for these loans instead of valuation on the basis of earning capacity. However, the loans may not be made to persons without agricultural background, or for the acquisition of a part-time farm.

Another provision increases from $7,000 to $9,000 the maximum amount of an initial loan for operating purposes and increases from $10,000 to $15,000 the total indebtedness for such loans that borrowers may have outstanding at one time.

A further provision increases the annual authorization for insured loans from $100 million to $125 million. However, the aggregate of refinancing loans authorized to be insured in any one year will be $50 million out of the $125 million ceiling proposed.

The authority to make economic-emergency loans under Public Law 727 of the 83d Congress is extended for 2 years from June 30, 1957, to June 30, 1959, and increases the aggregate amount to be made out of the revolving fund for such emergency loans from $15 million to $65 million. The repayment period of regular operative loans to farmers in disaster areas is extended by the number of years the area has been classified as a disaster area.

These are the major provisions of the bill. Section 3 of the bills contains general provisions to extend the authority of the FHA in adjusting and compromising claims, writing off or releasing claims and grants authority to appoint additional county committees where necessary.

Mr. Speaker, on my request to speak out of order:

Mr. Speaker, we have before us in the Rules Committee today the so-called school construction bill. That bill will be voted out tonight by a majority vote of the Rules Committee. It will doubtless be called up for consideration in a few days. It has been before the Rules Committee for some months. It was before the Education and Labor for something like a year, I believe, before it could be reported out. From that it may be observed that the bill is of a highly controversial nature.

It has been examined with great care by the Rules Committee as it was by the Committee on Education and Labor. The purpose of my remarks this morning is to express the hope that in the interval before that bill comes up for consideration on the flood Members who are really interested in the merits of the legislation will take occasion to glance at the bill and see what it is all about, because, in the press accounts, you have not had the real facts about the bill and what it does in the way of expenditures. I know there is a lot of controversy about the segregation question and the so-called silly Powell amendment, but I do not want to discuss that. I want to discuss the bill itself and just one or two features of it.

The first title of the bill provides for an appropriation of a billion six hundred million dollars for a 4-year program of aid to public schools. The billion six hundred million dollars is the figure that has been spoken of and what I thought, and what I imagine most Members of the House think, is the figure that is going to be expended. But when you get through examining this bill you will find there are three titles and the aggregate amount involved is $8,350,000,000 for aid in the construction of school buildings.

I pass over section 1 because if you are going to have a school construction program, it seems to me that title I is about as good as you are going to be able to get. The gentlemen on my left know that the President's proposal was one for aid where needed. But title I does not give aid where needed; it gives aid indiscriminately all over the country. I have no comment to make about title I, however. If you are going to have this kind of a bill, which I do not believe in and to which I am opposed, but if you are going to have it, that is about as good as you are going to be able to do.

Then there is title II, which involves $750 million of further aid in financing these projects.

Then there is title III, which is the one I want to call your attention to merely for the purpose of expressing the hope that Members who are serious about this thing and Members who are thinking something about the Treasury and about orderly, intelligible legislation, will examine that with some care. I am going to aid you in that task by pointing to the page and section numbers which show the things I have in mind and which demonstrate how utterly ill considered title III is.

Title III undertakes to set up a system to aid the States in financing their proportion of the amounts to be given for this worthy cause. Section 311, page 23, states:

Federal advances may be made pursuant to this title only with respect to obligations issued in the period beginning July 1, 1956, and ending June 30, 1960, in an aggregate principal amount not to exceed $6 billion.

Now, what that does is this: That sets up a situation where the Federal Government is going to undertake to assist in financing $6 billion worth of obligations of the States in case the States cannot sell the bonds, and the Federal Government will undertake year after year to put up one-half of the money to, what they call, "service" those bonds, and to "service" the bonds they intend and say that the service figure shall include not only the interest on the bonds but the amortization figure on the bonds. That means that the Federal Government is to put up one-half of $6 billion to take care of the Government's share of paying the amortization of these bonds plus one-half of the interest, so that they can clean up the principal and interest. So that at the minimum you are going to spend, in addition to the $1.6 billion, $3 billion plus interest.

Now, what I want to particularly call your attention to is the draftsmanship of that title relating to the $6 billion. You will find on page 24 under "Administrative Provisions" section 313 (a) this very remarkable piece of legislation, and I hope the Members of the House will listen carefully. I will read it slowly, because I want you to understand it, and I am sure you want to understand it, at least those who are in any wise interested in the merits of the situation. It reads as follows:

The Commissioner—

That is, the Commissioner of Education—

in addition to other powers conferred by this act, shall have power to agree to modifications of agreements made under this title and to pay, compromise, waive, or release any

right, title, claim, lien, or demand, however arising or acquired under this title—

That is a type of legislation that I do not think I have observed in my experience here, where the administrator under an act involving this much money is entitled to give it away. And, there has been a lot of talk about it in the Committee on Rules. But, you cannot get away from the positive language of the bill, and that is the reason I read it with such care, in order that you may be advised on the subject.

Now, then, that does not end it. There is another little joker down there at the bottom of that paragraph. I will read it, and then I am through. Section (b) following that says this:

Financial transactions of the Commissioner in making advances pursuant to this title—

That is, the financial transactions; everything about financing—

and vouchers approved by the Commissioner in connection with such financial transactions, shall be final and conclusive upon all officers of the Government.

In other words, the effect of that is to repeal the office of the Comptroller General so far as this bill is concerned.

Now, gentlemen, if that is what you want to do, it is up to you.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman, with one exception, has stated the situation just about correctly. I would like to say to him that he is in error in his thinking, if he thinks that the Government under title 3 would be obligated for $3 billion or $6 billion. It is true that that $6 billion item is in there; but I offered to the Committee on Rules yesterday, when I faced them, an amendment that would strike out the $6 billion and insert in lieu thereof the actual Government obligation.

A preceding section of title 3 says that the Government shall assume one-half of the carrying charges of this indebtedness during the construction period. That is the 4-year period that we are talking about. The going interest rate the Government would have to pay for money is 2½ percent. Two and a half percent of $6 billion is $150 million.

I offered an amendment to strike out the $6 billion, which is the overall size of the construction program and to substitute therefor the exact Government obligation of $150 million. I am still willing, when the bill comes to the floor—and I am personally pledging myself to do so—to offer that amendment.

I am also offering an amendment, to answer the gentleman's objection, to strike out the section on page 24 that would take away from the Comptroller General and vest in the Commissioner of Education the authority to audit the handling of this money. I believe the gentleman will admit that I made that proposal to the Committee on Rules.

Mr. SMITH of Virginia. Mr. Speaker, I want to say that the gentleman from West Virginia [Mr. BAILEY] was very fair about the whole thing and freely admitted these defects in the bill, and I do not know what other defects there may be in it. But the gentleman is going to offer an amendment as an individual Member of the House. I called his attention to the matter 3 months ago when this bill was before the Committee on Rules and he then agreed that the bill ought to be amended. I suggested that his committee should take the matter up and offer a committee amendment. I asked the question yesterday, and the gentleman advised me that his committee has taken no action on it. Whatever the amount may be that is authorized, I do not know what the gentleman will offer in place of the $6 billion; but the servicing of this $6 billion debt includes not only the interest, but the amortization and it is so stated in the bill.

Mr. BAILEY. Mr. Speaker, will the gentleman yield further?

Mr. SMITH of Virginia. I yield to the gentleman.

Mr. BAILEY. The gentleman is correct in saying that he made this objection back in February when I first appeared before the Committee on Rules. I promised him that I would prepare the necessary amendments and submit them to the Committee on Rules. But they quit considering the school construction bill at that point and I never had the opportunity to get back before the Committee on Rules to find out whether the amendments were satisfactory.

Mr. SMITH of Virginia. Mr. Speaker, the gentleman misapprehends the function of the Committee on Rules. We have nothing to do with amendments. It was just a friendly suggestion to help correct errors in this bill. That is the function of the Committee on Labor and the Committee on Labor has not offered any amendment up to now.

Mr. BAILEY. As a member of the committee I propose to offer the amendment on the floor.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Illinois.

Mr. MASON. Mr. Speaker, I want to say this; the latest figures that I have from the Department of Education are to the effect that the pupil load per teacher in the United States 20 years ago was 32-and-a-fraction per teacher. Today the figure is 26-and-a-fraction pupils per teacher, a smaller load today than it was 20 years ago, on an average all over the Nation. The only schools that are congested are those in what we call impacted areas and we have legislation on the books to take care of those. So, I advise the Members of this House to get the latest figures on the pupil load per teacher and not to accept these statements that there is a crowded condition in the public schools all over the United States.

Mr. MARTIN. Mr. Speaker, we have no requests for time on this side.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may sit while the House is in session during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ADDITIONAL SCIENTIFIC AND PROFESSIONAL POSITIONS IN THE FEDERAL GOVERNMENT

Mr. TRIMBLE. Mr. Speaker, I call up House Resolution 516 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11040) to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN], and yield myself such times as I may consume.

Mr. Speaker, this resolution makes in order the consideration of the bill H. R. 11040, an amendment of the Classification Act. The gentleman from Tennessee [Mr. MURRAY], chairman of the Committee on Post Office and Civil Service, and the gentleman from Kansas [Mr. REES], the ranking member of that committee, are present. As far as I know, there is no opposition to the rule.

Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I rise in support of the rule. I think the legislation involved here is long overdue and that it is essential that it be passed forthwith if we are to retain our leading position in technological development of our armed services.

I serve on a subcommittee of the Armed Services Committee that has recently visited most of the airplane plants, and we were told of the shortage of engineers, physicists, and scientific people who are so necessary in the development of these newer instruments of war.

The Federal Government has always lagged behind private industry in paying adequate salaries to people in this category. It was less than 10 years ago that the ceiling of $10,000 for Federal

pay was broken. We have never been realistic in adopting legislation that would recognize the necessity for an adequate number of people in these higher brackets to operate the agencies of Government that have to do with the new weapons of war and with atomic energy.

Our scientific people, who must sit opposite the highly paid technicians and skilled people in private industry, find themselves at a disadvantage. As we develop these people within Government, they are siphoned off into private industry because they cannot afford to work for the salaries we give them. The few that have remained are devoted people who have stayed on because in most cases they have earned and have a certain interest in Government due to their retirement privileges.

I think this committee is to be congratulated in bringing out this proposed legislation. I congratulate the gentleman from Tennessee [Mr. MURRAY], the gentleman from Kansas [Mr. REES], and the other members of the committee on so doing. I trust the rule will be adopted forthwith and that the bill will be put on its way so that we can keep the Government in the forefront in this important field so essential to our national defense.

Mr. MARTIN. Mr. Speaker, I do not desire to yield any time.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MURRAY of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11040) to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11040, with Mr. SIKES in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Tennessee [Mr. MURRAY] will be recognized for 30 minutes, and the gentleman from Kansas [Mr. REES] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY of Tennessee. Mr. Chairman, I yield myself 13 minutes.

Mr. Chairman, this bill represents a major change in the allocation and numbers of scientific and technical positions and positions in the highest three grades under the Classification Act. It will have a direct effect on all departments and agencies, but more specifically it will affect the Departments of Defense, Commerce, and Interior, and the National Advisory Committee for Aeronautics.

It has become necessary, because of the increasing need for emphasis on research and development and the critical shortage of scientists and technicians to reappraise and bring up to date the law governing the number and allocation of scientific and technical positions. These positions are provided for under Public Law 313 of the 80th Congress.

At the present time there are 45 of these positions in the Department of Defense and 10 in the National Advisory Committee for Aeronautics.

There will be an increase of 230 technical and scientific positions for the Department of Defense, 50 for the National Security Agency, 50 for the National Advisory Committee for Aeronautics, and the establishment of 35 such positions in the Department of Commerce and 10 in the Department of the Interior. These positions are all keyed to our national defense.

Those in the Department of Commerce will be allocated as follows: 23 to the Bureau of Standards, 2 to the Weather Bureau, 3 to the Maritime Administration, 2 to the Coast and Geodetic Survey, and 5 to the Civil Aeronautics Authority. In the Department of the Interior they will be allocated as follows: 5 to the Geological Survey and 5 to the Bureau of Mines.

These agencies, charged with vital responsibility for developing and maintaining a strong and effective national defense, are facing serious handicaps due to the lack of sufficient higher-salaried positions to attract and keep the necessary engineers, scientists, technicians, and administrators to carry out their programs with dispatch and effectiveness. This condition is especially evident in the fields of research and development. Requirements for the development of missiles and test vehicles for the expanded guided missile programs, for new nuclear applications, for many new types of combat and support aircraft, and for experimental ships of many classes have created pressing needs for the highest caliber technical and executive leadership.

It should be noted that there are two other groups of scientific positions that have been allocated under Appropriation Act riders. These are 60 positions in the Public Health Service—Public Law 195, 84th Congress—and 5 positions in the Department of Agriculture—Public Law 496, 80th Congress.

The second feature of this bill is the allocation to the Department of Defense of its own group of 285 positions in grades 16, 17, and 18 of the Classification Act in a manner similar to that already established for the Federal Bureau of Investigation and the General Accounting Office. The net effect with respect to the Department of Defense will be that they will have an increase of 95 positions in grades 16, 17, and 18 and an increase of 201 positions in the technical and scientific categories, which includes 50 specifically earmarked for the National Security Agency.

The net effect of this bill, as far as the GS–16, 17, and 18 positions that are allocated by the Civil Service Commission are concerned, is that at the present time there are approximately 22 out of the fixed total of 1,200 available for distribution to the departments and agencies other than Defense. If this bill is approved, there will be some 290 positions available.

The Civil Service Commissioners will continue to allocate the positions for the top three grades in the Classification Act except for the Department of Defense, the Federal Bureau of Investigation, the General Accounting Office, and the Library of Congress.

If this legislation is approved, we will then have the following pattern throughout the Government, taking into consideration positions in the three top grades of the Classification Act and positions allocated under Public Law 313:

Classification Act positions of grades 16, 17, and 18

Under allocation by Civil Service Commission	1,200
Department of Defense	285
Federal Bureau of Investigation	37
General Accounting Office	25
Library of Congress	29
Various agencies by special legislation	25
Total	1,601

Scientific and technical positions allocated under Public Law 313

Department of Defense	275
National Security Agency	50
National Advisory Committee for Aeronautics	60
Department of Commerce	35
Department of the Interior	10
Total	430

Scientific and professional positions allocated under appropriation riders

Public Health Service	60
Department of Agriculture	6
Total	65

Mr. Chairman, I would like to emphasize to the House that this is an urgent matter. I hope it will be acted upon promptly by the Congress in order that we can have a more effective and efficient top-level working force dealing with these important Government matters, particularly in research and development.

Our committee held very extensive hearings. Among those testifying were the following:

Hon. Reuben R. Robertson, Deputy Secretary of Defense.

Mr. Henry A. DuFlon, Deputy Assistant Secretary of Defense, Manpower, Personnel, and Reserve.

Mr. Leon L. Wheeless, Director of Civilian Personnel, Policy Division, Department of Defense.

Lt. Gen. Ralph J. Canine, Director, National Security Agency.

Dr. Hugh L. Dryden, Director, National Advisory Committee for Aeronautics.

Dr. John F. Victory, executive secretary, National Advisory Committee for Aeronautics.

Mr. Paul G. Dembling, legal adviser, National Advisory Committee for Aeronautics.

Mr. Robert J. Lacklen, personnel officer, National Committee for Aeronautics.

Mr. Carlton W. Hayward, Director, Office of Personnel Management, Department of Commerce.

Dr. A. V. Astin, Director, National Bureau of Standards.

Dr. Francis W. Reichelderfer, Chief, Weather Bureau.

Mr. Otis Beasley, Administrative Assistant Secretary, Department of the Interior.

Mr. Thomas Miller, Acting Director, Bureau of Mines.

Dr. Thomas B. Nolan, Director, Geological Survey.

Hon. Philip Young, Chairman, Civil Service Commission.

Hon. George M. Moore, Civil Service Commissioner.

Our hearings fully documented the use that would be made of the technical and scientific positions. They include such positions as the following:

(A) Director of Guided Missiles, Office of Secretary of Defense;

(B) Chief, Guided Missile Development, Redstone Arsenal, Department of Army;

(C) Chief Nuclear Physicist, Bureau of Ships, Department of Navy; and

(D) Director, Rocket Engine Test Laboratory, Department of the Air Force.

With respect to the National Security Agency, most of us know what a very important part that Agency plays in our whole national defense setup. We received testimony from Lt. Gen. Ralph J. Canine, Director of the National Security Agency in executive session, and the committee was so impressed with the need for adequately compensating people who have devoted a lifetime to this very important area, that at the request of General Canine we increased the amount from the original submission of 35 to 50 of these positions.

We hope this action will settle, not only for the present, but for some time to come, the issues that have been raised with respect to the supergrades, or grades 16, 17, and 18. Appropriation riders and other provisions of special legislation have given certain employees or certain positions salaries or grades above that which their positions warrant. They have not considered these special grants in relation to all other similar positions throughout the Federal Government.

The Civil Service Commission will have approximately 270 additional supergrade positions to allocate. They have over 500 requests for the allocations of these positions. The Commission, in their testimony before the committee, estimated that about 50 percent of the requests would probably not be justified, so this indicates that, at the present time, if this legislation is approved, we would be providing positions adequately to treat all employees fairly and equitably.

The committee has included a reporting procedure in this bill which will enable the Congress to more clearly determine the manner in which these higher grade positions are being used. As far as the scientific and technical positions are concerned, we were provided with a detailed report from the Department of Defense identifying and describing the positions presently being occupied under Public Law 313, and those which it proposed to put under that authority. It is indeed an impressive document, not only indicating the important responsibilities of many of these scientists, but indicating as well that our country is doing an extensive amount of research and development directed toward our national defense.

The estimated cost of this legislation in increased payroll is $1,534,250 for the Department of Defense, $464,280 for the National Security Agency, $100,000 for the National Advisory Committee on Aeronautics, $21,200 for the Department of Interior, $151,380 for the Department of Commerce and, if all 236 positions are utilized by the Civil Service Commission, $644,000 for other departments and agencies, making a total estimated increase of $2,915,110 in annual payroll costs.

To sum up, may I say this—that this legislation presents a major readjustment of the positions in the Federal Government carrying salaries ranging between $10,000 and $15,000, both those paid under the Classification Act and those paid as scientific and technical positions under the authority of Public Law 313, 80th Congress.

In addition, the bill sets aside a specific allocation of 285 positions in grades 16, 17, and 18 for the Department of Defense in the same manner as we have previously provided them for the General Accounting Office and the Federal Bureau of Investigation. This action makes available for departments and agencies outside of the Department of Defense 269 positions in grades 16, 17, and 18 which are presently allocated to the Department of Defense by the Civil Service Commission.

SALARY RANGES, SUPERGRADES

GS–16: $12,900 to $13,760.
GS–17: $13,975 to $14,620.
GS–18: $14,800.

Mr. Chairman, I may say that the committee was unanimous in reporting this bill. It is a very important bill and I believe it is essential to our national defense. All of us are fully aware of the acute shortage of scientists, technicians, and engineers. You can read Sunday's New York Times and you will see page after page of advertisements for all kinds of engineers and scientists.

In a statement recently released by the McGraw-Hill Publishing Co. entitled "Are We Losing the Race With Russia," the critical shortage of scientists and engineers is shown. Let me read it to you:

It's the trend—shown in the chart—that is alarming.

Over the last 5 years we have turned out only 142,000 engineers, compared to an estimated 216,000 in Russia. In 1955 our output was around 23,000 compared to their 63,000. Over the next 5 years our projected output is 153,000, against at least 400,000 in Russia. There will be an additional 150,000 or more in the satellites and Red China.

In another publication recently released by the same publishing company entitled "How Critical Is It?" appears the following statement:

According to the best available information, from estimates by the Engineers' Joint Council and the United States Bureau of Labor Statistics, the minimum need for engineers from graduating classes is 40,000 each year for the next 10 years. Last year we graduated only 23,000 engineers, just about enough to cover replacement needs without allowing for any expansion of the number of active engineers. Projections made by the United States Office of Education indicate that we shall probably not have a class of 40,000—the current annual requirement—until 1963.

According to Dr. Howard Meyerhoff, Executive Director of the Scientific Manpower Commission, there is now a shortage of about 20,000 scientists. Last year the number of doctoral degrees in the natural sciences, almost a prerequisite for research work, was only 5,000. Dr. Meyerhoff estimates that the shortage of scientists will rise another 30,000 by 1960.

We need more scientists and engineers in our defense setup. The provisions of this bill are certainly justified. Since there is no opposition to the bill on the part of the committee I hope it may be passed unanimously.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield.

Mr. CEDERBERG. I want to associate myself with the remarks of the distinguished chairman of my committee. I think this bill is very timely and one that should be passed by the House because I think it will strengthen the scientific research of our Government a great deal. It will mean a lot to us in keeping pace with the rest of the world in that regard.

Mr. REES of Kansas. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, this bill provides for 285 additional supergrade positions and 375 scientific and professional positions. The passage of this legislation is of vital importance to the research and development programs concerned with the defense efforts of the Government.

The committee held 3 days of hearings and 2 executive sessions on the provisions of this bill. The deputy and assistant secretaries of the departments and the heads of the agencies concerned presented factual testimony and fully answered all questions in justification of the allocation of these top-salaried positions. Their allocations were considered in groups and by individual positions. It is believed that without exception each one of these top-salaried positions will be fully utilized in the carrying out of the activities necessary to the expanded and ever-increasing technological requirements of our defense efforts and other essential Government operations.

It want to make it clear that the positions authorized by this bill are of two types. The supergrade positions, with salaries ranging from $11,900 to $14,800, are to be utilized for top executive and administrative employees. The scientific and professional positions are to be utilized in the employment of engineers, physicists, and other technicians engaged in research and development activities. The salaries of this last group range from $10,000 to $15,000.

All positions authorized by this bill are subject to a complete review and evaluation by the Civil Service Commission. The Department of Defense is authorized to select the positions which will be recommended for both the supergrade and scientific and professional allocation. This allocation must, however, be approved by the Civil Service Commission before it can become effective. The

scientific and professional positions in the other agencies are subject to the same approval.

In addition to this control by the Civil Service Commission, the bill provides for reporting requirements, in which the departments and agencies concerned must report annually on the number of such positions in existence as well as those established during the year. This report must furnish the names of the occupants, the salary they are receiving, and a complete listing of their qualifications for such positions. The agencies must also furnish such other information pertaining to these positions as the Congress may require.

There has been considerable debate in this Congress regarding the allocation of supergrade and other top-salaried positions through special legislation or riders on appropriation bills. The committee, in reporting this bill, believes that with the additional positions authorized, there will be no further justification for any department or agency to request special treatment outside of the Classification Act.

The supergrade positions were created in 1949, with authority for 400. With the enactment of this bill, there will be some 1,600 such positions. This is an increase of over 400 percent. At the same time, overall employment in the Federal Government has materially decreased.

The scientific and professional positions were created in the 80th Congress, at which time I was chairman of the committee. The legislation at that time authorized 45 fully justified positions in the Department of Defense. With the enactment of bill H. R. 11040, there will be 495 such positions in the Federal Government. This represents an increase of over 1,100 percent. I firmly believe that these increases, even though large, are fully justified and that the requirements for specially trained and qualified top-civilian personnel in the Federal Government have increased, especially during the last 3 years and will continue to do so.

In detail, this bill provides for 285 supergrade positions and 230 new scientific and professional positions for the Department of Defense, 50 scientific and professional positions for the National Security Agency, 50 for the National Advisory Committee on Aeronautics, 10 for the Department of Interior, and 35 for the Department of Commerce. The action in regard to the 285 supergrade positions for the Department of Defense will release 269 such positions to the Civil Service Commission where they will be available for allocation to the other departments and agencies.

The Civil Service Commission has advised the committee that it has over 500 requests for these positions. They have indicated, however, that their experience has shown that only approximately 50 percent of the requests for supergrade positions can be justified. The 269 positions provided for by this bill should, therefore, take care of all justifiable requests for this type of position, including the 10 positions for the General Services Administration which were authorized by the House in a rider on the Independent Offices Appropriation Act and the 6 positions for the Immigration and Naturalization Service which were authorized in the State, Justice, and Judiciary Appropriations Act.

The allocations provided for by this bill entirely satisfy all requests for these top-level positions made to the committee by the departments and agencies of the executive branch. Each one of these allocations has been fully justified. There was no opposition in the committee to recommending favorable action on the provisions of the bill. I strongly recommend that the House give favorable consideration to its provisions and pass it without delay.

As a result, there are 660 high-salaried jobs; 285 are supergrade, all to Department of Defense; 375 are scientific and professor positions.

There are now 1,341 supergrades, 120 scientific, for a total of 1,461.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Chairman, we have listened to testimony concerning the problems involved in scientific research and development as they have been presented to the Committee on the Armed Services by the various branches of the armed services, especially by the personnel who were engaged in scientific research and development, as they applied to the Armed Forces. May I point out to the gentleman that many, many years ago there was founded the National Advisory Committee on Aeronautics. I believe that was started in 1915, long before there were many airplanes used for military purposes. This illustrates how important it is to start early. All during the years the group of individuals on that committee have done a wonderful work, even back in 1915 when flying was new and novel and carried on by stunt fliers. Their wonderful work resulted in the development of practically all of the scientific contributions to the aeronautical field. This is important. The spark-plug in this endeavor was John Victory, who is still the executive secretary of NACA. So I want to congratulate the gentleman from Kansas [Mr. REES], also the gentleman from Tennessee [Mr. MURRAY] the able chairman of the committee, with whom the gentleman from Kansas has worked cooperatively, and I should like to join in expressing the hope that this bill will be passed unanimously.

Mr. REES of Kansas. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Iowa, who is a distinguished member of the Committee on Post Office and Civil Service.

Mr. GROSS. I thank the gentleman from Kansas. I want to commend him for his statement concerning this bill and say that I think most of the positions authorized are justified. Moreover, this is the orderly procedure for creating and allocating such positions. I have contended, as has the gentleman from Kansas, against riders upon appropriation bills creating supergrade jobs in the Government.

I do want to say, however, that I have always contended that the Government cannot compete with private employers, who operate on cost-plus-fixed-fee contracts in the matter of securing scientific and professional employees.

Let me also join with the chairman of our committee [Mr. MURRAY], in expressing the hope that we will not again in the near future be confronted with a similar request.

I want to reemphasize that the Government can never compete for personnel with those who hold cost-plus-fixed-fee contracts. I repeat that this is the orderly procedure for providing supergrade jobs, and the bill also provides certain safeguards whereby in the future supergrade jobs must be justified by the various departments and agencies. That is a good feature of this bill.

Mr. REES of Kansas. I agree with the gentleman and I appreciate his contribution in respect to this proposed legislation.

One more thing, and that is this: I want to emphasize that this proposed legislation is the result of full and complete hearings on this question. I also want to reiterate, if I may, the thing that the gentleman from Iowa has just stated. We hope this legislation will prevent agencies from coming in and getting their supergrades approved in appropriation bills without having had hearings on the question of necessity for such positions.

Mr. MURRAY of Tennessee. Mr. Chairman, I have no further requests for time.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I rise in support of this bill. I realize that there is no particular glamor attached to it; no particular appropriation for any particular section of the country. But, I still feel very sincerely and very strongly that this is one of the most important pieces of legislation that we could enact in this session.

I am going to confine my remarks to one of the Government installations which will receive additional supergrade employees if this bill is passed, namely, the Ames Laboratory of the National Advisory Committee for Aeronautics which happens to be situated in my district. I work very closely with these people. I have found that their work is most important to the national defense. Ames Laboratory is developing basic research data which will result in the airplanes and guided missiles our armed services will be flying 10 to 15 years from now. The lag time between research and development, and actual manufacture is so terrific that we must, if we are going to win this cold war, be far ahead insofar as research is concerned. The Ames Laboratory represents an investment of $64 million of the taxpayers' money, but at the same time this great, terrific investment is not adequately manned with scientific personnel due to the fact that wages are just simply not high enough. During the fiscal year 1955 Ames Laboratory was only able to recruit 33 scientists in grades GS–5 to 7, principally because the salary offered by private industry

was too much higher. A comparison shows that Ames Laboratory could offer $3,410 for a GS–5 position and $4,205 for a GS–7. At the same time the aircraft industry was offering salaries for the equivalent of a GS–5 job of $4,860 and a salary of $5,940 for the equivalent of a GS–7 position. Not only was the National Advisory Committee for Aeronautics unable to compete with the aeronautics industry on a salary basis, but they were required to offer less than State, county, and city governments were offering.

Unfortunately, this bill will not take care of the need for recruitment of new scientific personnel at the bottom of the ladder. The gentleman from California [Mr. Moss] and I are presently preparing a bill which would meet this very, very great need.

Though I wish the bill could go further, I am nevertheless supporting it because it does take care of the need for retaining our especially skilled and experienced scientific personnel at the top of the pay scale.

Mr. Chairman, let me give you an example of what has happened at the top of the ladder at Ames Laboratory. A GS–15 getting $12,150 has been offered 3 positions from private industry, 1 at $16,000 plus a $2,500 bonus, 1 at $16,000, and another at $15,000. A GS–15 at $11,880 has been offered a full professorship at four permanent universities throughout the country. He still stayed on at Ames Laboratory at a far lesser salary.

I have similar communications from the Atomic Energy Commission indicating that their need is as great and as acute as that of the National Advisory Committee for Aeronautics.

At the atomic bomb test last year at Yucca Flats in Nevada, I talked with many a scientist who could go into private industry and draw anywhere from $25,000 to probably as high as $50,000 per year. And yet they were living there, in the desert, under extremely adverse conditions, working for far less than $15,000.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. Mr. Chairman, I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, the gentleman is making a very important and a very true statement. I can say from my own knowledge of the scientific personnel problem in the Atomic Energy Commission that while a great many of these people are staying on, there are a great many of them who are going into private industry at greatly increased salaries, sometimes double as much as they are getting and sometimes treble what they are receiving from the Government.

Within the last 2 years we have even had on the Joint Committee on Atomic Energy the experience of losing 3 or 4 of our valuable staff members who were in the $10,000 to $11,000 range and who have been hired at up to as high as $20,000 by private industry.

This draining away from the Government into private industry is going on all the time, and if something is not done to preserve the integrity of the caliber of the personnel in our Government functions, the more qualified, and perhaps the more adventurous type will go into private industry. And unfortunately we may have left the less qualified people in the Government.

I just want to say that I am in favor of this bill. I think it is a good bill. I know there is one problem it will not solve, and that is the inadequate supply of scientists and I hope legislation will be offered to cover that matter.

Mr. GUBSER. Mr. Chairman, I thank the gentleman. As a member of the Joint Committee on Atomic Energy, his remarks are certainly valuable. That brings me to this point. How long can we expect our scientific and technical personnel to derive the full measure of their pay from a patriotic sense of accomplishment? I feel we should pay them what they are worth, just as private industry is paying them.

In the other body there is great debate presently going on concerning appropriations for the Air Force. Personally I favor a strong Air Force and will vote for it. I favor a strong national defense in every respect. This bill is an attempt not to provide airplanes today but to provide the brains which will develop the airplanes and the guided missiles which will be flying 10 years from now when the B–52 of today is obsolete.

This is an important bill. We have in our hands the ability to go ahead and win this cold war by providing the brains to do it, or we have in our hands the decision to remain behind and allow our potential opponents to go ahead of us.

Mr. Chairman, I strongly urge the passage of this bill.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. CORBETT], a member of the committee.

Mr. CORBETT. Mr. Chairman, this bill is vitally necessary and highly desirable. It is my own conviction that what good it does is not sufficient, but to do less would be highly disastrous.

We are asking scientists and technicians now to stay on as a patriotic duty. Many of them are doing that and continuing in their missions and projects, but some of them are finding that their families are suffering, that they are not securing the benefits that they should and, consequently, they have been forced to accept better offers in private industry. But even those who are staying should not be penalized because of their patriotic devotion to their duty.

Therefore, this bill should not only be passed unanimously, as I hope it will be, but it ought to be the forerunner of a study of just exactly what the needs of our various defense agencies are for scientists both in quantity and those who are experts in their field.

We all recognize that even some of the finest jet planes we have on order that are not yet delivered will be obsolete in a very few years and able to serve only as interim weapons as the guided missile program advances.

We know that the whole safety of the United States and the free nations allied with us may hinge on certain scientific or technological advances. If we do fail to provide ourselves with the means of keeping our leadership in the fields of science and research we fail in our fundamental job of protecting the United States and the people thereof.

Mr. Chairman, I believe and hope the Members agree that this bill should be passed unanimously, and that we should further examine the needs and proper desires of the agencies for more individuals to help us in this terrible job of defending ourselves against the Communist conspiracy.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That (a) subsections (a) and (b) of the first section of the act of August 1, 1947 (61 Stat. 715; Public Law 313, 80th Cong.), as amended, are amended to read as follows: "(a) the Secretary of Defense is authorized to establish and fix the compensation for not more than 275 positions in the Department of Defense and not more than 50 positions in the National Security Agency, each such position being established to effectuate those research and development functions, relating to the national defense, military and naval medicine, and any and all other activities of the Department of Defense and the National Security Agency, as the case may be, which require the services of specially qualified scientific or professional personnel.

"(b) The Chairman of the National Advisory Committee for Aeronautics is authorized to establish and fix the compensation for, in the headquarters and research stations of the National Advisory Committee for Aeronautics, not to exceed 60 positions in the professional and scientific service, each such position being established in order to enable the National Advisory Committee for Aeronautics to secure and retain the services of specially qualified personnel necessary in the discharge of the duty of the Committee to supervise and direct the scientific study of the problems of flight with a view to their practical solution.

"(c) The Secretary of the Interior is authorized to establish and fix the compensation for not to exceed 10 positions of a professional or scientific nature in the Department of the Interior, each such position being established in order to enable the Department of the Interior to effectuate those research and development functions and activities of such Department which require the services of specially qualified professional or scientific personnel.

"(d) The Secretary of Commerce is authorized to establish and fix the compensation for not to exceed 35 positions of a professional or scientic nature in the Department of Commerce, each such position being established in order to enable the Department of Commerce to effectuate those research and development functions and activities of such Department which require the services of specially qualified professional or scientific personnel."

(b) Nothing contained in the amendment made to such act of August 1, 1947, by subsection (a) of this section shall affect any position existing under authority of subsection (a) of the first section of such act of August 1, 1947, as in effect immediately prior to the effective date of such amendment, the compensation attached to any such position, and any incumbent thereof, his appointment thereto, and his right to receive the compensation attached thereto, until appropriate action is taken under authority of subsection (a) of such first section of such act of August 1, 1947, as contained in the amendment made by subsection (a) of this section.

(c) Subsection (c) of the first section of such act of August 1, 1947, as amended, is hereby redesignated subsection (e) of such first section.

(d) Section 3 of such act of August 1, 1947, as amended, is amended to read as follows:

"SEC. 3. (a) Each officer, with respect to positions established by him under this act, shall submit to the Congress, not later than February 1 of each year, a report which sets forth—

"(1) the number of such positions so established or in existence during the immediately preceding calendar year,

"(2) the name, rate of compensation, and description of the qualifications of each incumbent of each such position, together with the position title and a statement of the functions, duties, and responsibilities performed by each such incumbent, except that nothing contained in this section shall require the resubmission of information required under this paragraph which has been reported pursuant to this section and which remains unchanged, and

"(3) such other information as he deems appropriate.

"(b) In any instance in which any officer so required to submit such report may consider full public disclosure of any or all of the above-specified items to be detrimental to the national security or the public interest, such officer is authorized—

"(1) to omit in his annual report those items with respect to which full public disclosure is considered by him to be detrimental to the national security or the public interest,

"(2) to inform the Congress of such omission, and

"(3) at the request of any congressional committee to which such report is referred, to present information concerning such items in executive sessions of such committee."

The CHAIRMAN. The Clerk will report the committee amendments to section 1 and without objection the amendments will be reported and considered en bloc.

The Clerk read as follows:

Committee amendments:

On page 4, line 20, immediately before the period insert "or which may be required by the Congress or a committee thereof."

Line 23, strike out "consider" and insert "find."

Page 5, line 1, strike out "or the public interest."

Line 4, strike out "considered" and insert "found."

Lines 5 and 6, strike out "or the public interest."

Line 9, insert "all."

Lines 10 and 11, strike out "in executive sessions of such committee."

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. CRUMPACKER. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CRUMPACKER: On page 2, line 13, after "exceed", strike out "sixty" and insert "one hundred."

The CHAIRMAN. The gentleman from Indiana [Mr. CRUMPACKER] is recognized in support of his amendment.

Mr. REES of Kansas. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. REES of Kansas. Mr. Chairman, I make the point of order that the amendment offered by the gentleman from Indiana comes too late.

The CHAIRMAN. The Committee is still considering section 1. We have not yet passed on to section 2 of the bill.

The point of order is overruled and the gentleman from Indiana is recognized.

Mr. CRUMPACKER. Mr. Chairman, the amendment which I have offered would increase the number of high salaried scientific positions authorized for the National Advisory Committee on Aeronautics from the 60 provided by the committee bill to 100.

There has been a great deal of discussion in recent months not only in this body but elsewhere as to the relative state of our aeronautical technology and science and that of our potential enemies.

The National Advisory Committee on Aeronautics is the body on whose shoulders rests the ultimate responsibility of winning this technological race. Unquestionably whether we have better aircraft than our enemies depends upon the skill and ability of this group of scientists. Oftentimes their activities and their work is largely overlooked. The activities of the Defense Department, particularly of the services in testing and demonstrating the end weapons which have been made possible by NACA research, receives a great deal more attention and publicity than the activities of these scientists, who generally work, without any publicity at all, in their laboratories in the less glamorous field of pure aeronautic science. Before they have made the scientific breakthroughs, the scientists in the Defense Department and the engineers in the various aircraft manufacturing companies cannot and do not produce the weapons that for the present and forseeable future are essential to our survival as a nation.

NACA must lead the way, and if they are not effective and efficient in doing so we will ultimately lose this technological race. Because of the fact that their activities are not so well known, they oftentimes tend to be overlooked. I realize it will be argued that a greater number of these high-salaried scientific positions was not asked for by these agencies. My answer to that is first, that all such requests by directors of such agencies must clear through other agencies of the Government, such as the Bureau of the Budget. Frequently the desires of a particular agency get strained down in being channeled through the various Government channels on their way to Congress.

This is the first time in 7 years that this Congress has seen fit to deal directly with this question of the creation of adequate financial incentives for these highly trained scientific personnel. During that 7 years the workload in all of these defense agencies, particularly the workload of the NACA, has multiplied many times. From all present indications, it will continue to increase in the future. So, while 60 may be adequate for today—and as to that I am not in a position to argue with the committee—I do feel that if 60 is the number we need today, in all probability we will need more in the near future. Undoubtedly we will need more before the Congress gets around to acting on this subject matter again.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. CRUMPACKER. I yield.

Mr. MURRAY of Tennessee. Is the gentleman aware of the fact that the Director of the NACA appeared before our committee and asked for only 60? Now, have any of these gentlemen indicated to you that they wanted more than the committee gave to them? We are simply complying with the request of these gentlemen in that regard.

Mr. CRUMPACKER. None of those people have come to me and indicated any dissatisfaction with the request, but for the reasons I have stated and the slowness of Congress to deal with these situations as they develop, and the fact that these responsible officials have to channel their requests through other agencies, who almost invariably cut down the requests, I do not think that is an adequate answer to the needs, not only the present but the future needs of this agency.

I would like to say that all this measure does is authorize the positions. If the agency does not need the positions at the present time, they will not have to fill them, but if they do need them in the future, this would permit them to fill the positions without going through the long and sometimes tedious process of trying to gain congressional approval.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. CRUMPACKER was granted 1 additional minute.)

Mr. CRUMPACKER. I do feel that the need in this particular field of pure scientific research is so great that we should not handicap this agency in any way, or tie strings about them that may block their possible expansion in the future.

After all, if all these posts were filled at the maximum figure permissible, it would cost the Government just an additional $200,000 a year. As against the billions of dollars we are spending on research it seems to me that this is a very small amount indeed, a very small investment to make in the future security of this country.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(On request of Mr. HARVEY (and by unanimous consent), Mr. CRUMPACKER was allowed to proceed for 2 additional minutes.)

Mr. CRUMPACKER. I yield to the gentleman from Indiana.

Mr. HARVEY. I was very favorably impressed with the reasoning back of the gentleman's amendment. I would like to ask him, because I know he has given a great deal of study to this problem, whether there will be competent and specially trained people to fill these positions, if authorized? It is one thing to have a position available; it is another

to have people with adequate skills and training to fill it.

Mr. CRUMPACKER. I may say that they will certainly not be easy to fill. However, if this legislation would induce just a few of the highly skilled personnel who have left these special agencies in recent months to accept higher paying jobs in private industry, to return to the Government service it would have served a very worthwhile purpose. Certainly there is a great shortage of highly skilled scientific personnel. They cannot be just picked up overnight. Certainly over a period of years the personnel would become available; and, as suggested previously, I think this legislation may induce some of those who have left the Government service in recent years to possibly return to it and thus fill the vacancies. It should also induce many now in the Government service to remain and not accept offers from private industry.

Mr. HARVEY. I thank the gentleman.

Mr. MURRAY of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our committee in this bill has given the National Advisory Committee for Aeronautics the number of scientific and technical jobs they asked for.

I have known Dr. Dryden, who is director of the National Advisory Committee for Aeronautics, and Mr. Victory, who is the executive secretary, for several years. Our committee has wholeheartedly cooperated with these gentlemen insofar as the jurisdiction of our committee is concerned. We gave them first the ten technical and scientific jobs that they asked for the first time. Dr. Dryden and Mr. Victory appeared before our committee in connection with this bill. Here is the printed testimony of these gentlemen before our committee. They asked us to increase the number of these excepted positions from 10 to 60 with the approval of the Bureau of the Budget and the Civil Service Commission.

The gentleman from Indiana [Mr. CRUMPACKER] says he has not been contacted by Dr. Dryden or by Mr. Victory or any other official of the National Advisory Committee for Aeronautics about this matter. Surely these gentlemen in charge know what they want, and we have given them what they asked for. Certainly they must have a sufficient number of technically skilled and qualified engineers, technicians, and scientists to do this important work.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Iowa.

Mr. GROSS. There was no contention made before our committee that the Bureau of the Budget had denied the National Advisory Committee for Aeronautics a request for additional employees. Will the gentleman agree to that?

Mr. MURRAY of Tennessee. Why, certainly.

Mr. GROSS. Has the chairman of the Post Office and Civil Service Committee had any word from Dr. Dryden or anyone else from the National Advisory Committee, since our hearings were held, asserting that the 60 extra pay jobs were insufficient?

Mr. MURRAY of Tennessee. I have not received any such information. They have been very fair whenever they appeared before our committee and we have never turned down any request from them about legislation. I know they are highly satisfied and well pleased with the action of our committee which gave them the 60 scientific and technical positions they wanted.

Mr. GROSS. If there are supergrade spaces unfilled under the control of the Civil Service, the National Advisory Committee for Aeronautics could go to the Commission and get additional berths if they could justify the need.

Mr. MURRAY of Tennessee. Yes, in these supergrades. They only asked for an increase from 10 to 60 in these scientific positions and we gave them exactly what they wanted. I do not see where the gentleman from Indiana has presented anything to the contrary.

Mr. CRUMPACKER. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Indiana.

Mr. CRUMPACKER. Can the gentleman promise me that the Congress will deal with this subject again in less than 7 years if the need arises?

Mr. MURRAY of Tennessee. The gentleman can rest assured that if Dr. Dryden and Dr. Victory, officials in charge of the Advisory Committee for Aeronautics, come before our committee with a request, we will give them every cooperation. We have never turned them down. We are not experts in their field and we have to rely upon their judgment. We did so in this case and I appeal to you to vote down the pending amendment.

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I do not care to inject myself into this controversy between the chairman of the committee and the ranking minority member other than to say that in my opinion, the gentleman from Indiana has a very good point. The reason I take that view is because of an experience I had in 1945.

When the shooting war in Europe ended, a number of members of the Committee on Military Affairs went to France to look into the displaced persons problem and other problems. The gentleman now presiding as Chairman of the Committee of the Whole accompanied us at that time.

One of the things that I remember so very well, and I am sure every Member who was there remembers very well, was Nordhausen, one of the horror camps where the Germans executed thousands of innocent victims that were captured at that time. In going there we had to fly over a very high mountain, and as we looked down to the landscape below we saw that a railroad went into the side of a mountain and came out at the other end of it. Later we found that Hitler had an underground operation for the development and use of V2 bombs. No one knew anything about this until the Americans got into that underground area where the railroad was. He had extrusion presses there where these bombs were developed and built in great numbers. As a matter of fact, they shot many of these bombs from Amsterdam into London where they struck a large church and damaged an extensive area of that city. If Hitler had had one more month, just one month, it was our conviction then that England would have fallen and we would have been left alone to fight that war to its bitter and tragic end.

I mention that experience to demonstrate that the argument presented by the gentleman from Indiana has a great deal of merit. Why not leave the door open slightly so that if the scientists feel that they should have more scientific help they will be able to get it promptly? That experience taught me that sometimes we have to look a little further ahead than we can see at the time we make a particular decision. This may be a little beside the argument here, but I do think the gentleman's contention has great merit. That experience impressed me and it impressed every Member present. Thank God we got there in time and licked the enemy, otherwise Hitler might have taken away our major ally.

Mr. REES of Kansas. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana.

Mr. Chairman, I want to emphasize what our chairman, Mr. MURRAY, has said with respect to this proposed amendment. That is, that Dr. Dryden and other officials of this organization appeared before the committee asking for 60 of these new positions, which we gave them. We took care of all of the requests of agencies that appeared before our committee.

Mr. Chairman, the pending amendment ought to be rejected.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Iowa, a member of our committee. He is one who has studied this legislation very carefully.

Mr. GROSS. If we adopt this amendment we would be setting a precedent of saying to the various departments and agencies when they ask for an increase in personnel, if they say they want 100, give them 200 in anticipation that they may need 200. That is a very poor way to legislate, and I believe the gentleman from Kansas will agree with me.

Mr. REES of Kansas. I agree with the gentleman. One of our difficulties is to keep these matters from getting out of control. Here is a case where we were extremely careful to see that our defense was not injured in any way, and the witnesses were so convincing with respect to their requests that they were granted in toto; every one of them. Now, when we come to the floor of the House and offer an amendment to almost double it, it is out of order, in my opinion, and ought to be rejected.

Mr. CRUMPACKER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Indiana.

Mr. CRUMPACKER. Does not the gentleman realize that our defense has been injured in the last months and the last years during which the restriction set up in 1949 was in effect and before the committee and the Congress got around to dealing with it?

Mr. REES of Kansas. With respect to this particular agency, Congress did approve 10 supergrades more at that time than had been granted any other agency.

Mr. CRUMPACKER. Back in 1949?

Mr. REES of Kansas. That is right.

Mr. CRUMPACKER. And a great deal of harm has been done to that agency because of the personnel that was lost to private industry, because they could not pay comparable salaries.

Mr. REES of Kansas. So far as I know, this is the first time a request was made to this committee for the relief that is being granted under this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. CRUMPACKER].

The amendment was rejected.

The Clerk read as follows:

SEC. 2. Section 505 of the Classification Act of 1949, as amended (69 Stat. 179; 5 U. S. C., sec. 1105), is amended—

(1) by striking out in subsection (b) of such section 505 "subsections (c), (d), and (e)" and inserting in lieu thereof "subsections (c), (d), (e), and (f)" and

(2) by adding at the end of such section 505 the following new subsection:

"(f) The Secretary of Defense is authorized, in accordance with the standards and procedures of this act, to place a total of two hundred and eighty-five positions in the Department of Defense in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b)."

SEC. 3. (a) The United States Civil Service Commission, the Librarian of Congress, the Comptroller General of the United States, the Director of the Federal Bureau of Investigation of the Department of Justice, and the Secretary of Defense, respectively, with respect to those positions within the purview of subsection (b), (c), (d), (e), and (f), respectively, of section 505 of the Classification Act of 1949, as amended, and the appropriate authority, with respect to those positions under jurisdiction of such authority which are allocated to or placed in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended (including such positions as allocated or placed on a temporary or present incumbency basis), under any provision of law (including any reorganization plan) other than the above-specified subsections, which is in effect on or after the date of enactment of this subsection, shall submit, so long as such provision of law or reorganization plan remains in effect, to the Congress, not later than February 1 of each year, a report which sets forth—

(1) the total number of such positions allocated to or placed in all of such grades during the immediately preceding calendar year, the total number of such positions allocated to or placed in each of such grades during such immediately preceding calendar year, and the total number of such positions in existence during such immediately preceding calendar year and the grades to or in which such total number of positions in existing are allocated or placed.

(2) the name, rate of compensation, and description of the qualifications of each incumbent of each such position, together with the position title and a statement of the duties and responsibilities performed by each such incumbent,

(3) the position or positions in or outside the Federal Government held by each such incumbent, and his rate or rates of compensation, during the 5-year period immediately preceding the date of appointment of each such incumbent to such position, and

(4) Such other information as the Commission, officer, or other appropriate authority submitting such report may deem appropriate.

Nothing contained in this subsection shall require the resubmission of any information required under paragraphs (2) and (3) of this subsection which has been reported pursuant to this subsection and which remains unchanged.

(b) In any instance in which the Commission, officer, or other appropriate authority so required to submit such report may consider full public disclosure of any or all of the above-specified items to be detrimental to the national security or the public interest, such Commission, officer, or authority is authorized—

(1) to omit in such annual report those items with respect to which full public disclosure is considered to be detrimental to the national security or the public interest,

(2) to inform the Congress of such omission, and

(3) at the request of any congressional committee to which such report is referred, to present information concerning such items in executive sessions of such committee.

(c) Subsection (b) of section 505 of the Classification Act of 1949, as amended (69 Stat. 179; 5 U. S. C., sec. 1105), is amended by striking out "The United States Civil Service Commission shall report annually to the Congress the total number of positions established under this subsection for grades 16, 17, and 18 of the General Schedule and the total number of positions so established for each such grade.".

SEC. 4. (a) The following provisions of law are hereby repealed:

(1) That part of the paragraph under the heading "Federal Prison System" and under the subheading "salaries and expenses, bureau of prisons" contained in title II (the Department of Justice Appropriation Act, 1956) of the Departments of State and Justice, the Judiciary, and related agencies Appropriation Act, 1956 (69 Stat. 273; Public Law 133, 84th Congress; 5 U. S. C., sec. 298a), which reads as follows: ": *Provided further*, That the Attorney General hereafter is authorized, without regard to the Classification Act of 1949, to place three positions in grade GS–16 in the General Schedule established by the Classification Act of 1949"; and

(2) Section 633 of the Department of Defense Appropriation Act, 1956 (69 Stat. 320; Public Law 157, 84th Congress; 5 U. S. C., sec. 171d–2).

(b) Positions in grade 16, 17, or 18, as the case may be, of the General Schedule of the Classification Act of 1949, as amended, immediately prior to the effective date of this section, under any provision of law repealed by subsection (a) of this section, shall remain, on and after such effective date, in their respective grades, until other action is taken under the provisions of section 505 of the Classification Act of 1949 as in effect on and after such effective date.

The CHAIRMAN. The Clerk will report the committee amendments, and without objection they will be considered en bloc.

There was no objection.

The Clerk read as follows:

Committee amendments:

Page 7, line 17, immediately before the period insert "or which may be required by the Congress or a committee thereof."

Page 7, line 24, strike out "consider" and insert in lieu thereof "find."

Page 8, line 2, strike out "or the public interest."

Page 8, line 5, strike out "considered" and insert in lieu thereof "found."

Page 8, lines 6 and 7, strike out "or the public interest."

Page 8, line 10, after "present", insert "all."

Page 8, lines 11 and 12, strike out "in executive sessions of such committee."

The committee amendments were agreed to.

Mr. MCCORMACK. Mr. Chairman, I move to strike out the last word and ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Chairman, we have read in the newspapers today and yesterday and the day before of a visit made to Egypt by the Soviet foreign minister who recently succeeded Molotov, and we find in the news items the offer of the Soviet Union early this year to help finance a $1.2 billion project for harnessing the waters of the Nile, the Aswan Dam. We find that apparently conversations are taking place between Premier Nasser of Egypt and the Soviet foreign minister in relation to that matter as well as other assistance from the Soviet Union. We have read of Soviet offers of the same nature to other countries, and that raises in my mind a question as to what the policy of our country should be. Are we going to rush in, after the Soviets have made some kind of an offer, and make a bigger offer? Or are we going to call the turn somewhere along the line with reference to some of these large commitments?

The attitude and the action of the Soviet Union presents a serious question that our Government and all Americans must consider because, after they have made an offer and we have gone in and made a larger offer, they can then gracefully withdraw and say to the country who is to be the beneficiary, "See? We got America to do it for you." And then they get the benefit of it both ways. And in some cases we do not even receive the minimum feeling of gratitude.

There is a question whether the Soviet Union can go through with its commitments, but in any event, since such offers are made, the evidence seems to be that our country rushes in and raises the ante and offers more. Repeating the result is that the Soviets are thus permitted to back out gracefully but they are enabled to say to the people of, say, Egypt, or other countries, "See? We got you the offer from the United States. It is our action that has gotten you American aid and increased aid. It is we who are your best friends."

Since an offer came from the Soviet Union and the United States then comes in and increases the offer of aid, the whole benefit, it seems to me, redounds to the Soviet Union. No matter how it works out, we lose.

I have been a strong advocate of point 4 assistance. But I do not like this situation where the Soviet Union is moving in and then we come in after them with an offer of more aid, greater assistance,

larger loans; then they move out and receive the benefit of the appreciation of the beneficiary, while we get no benefit.

It seems to me that somewhere along the line, particularly in the case of large countries—of course, in the case of a small country, the Soviet could probably go ahead with their commitment—but in the case of a large country, or in the case of a large commitment such as that of the Aswan Dam, our officials should say, "All right, Soviet Union, we have been helping, we have been rendering assistance, we have assisted Egypt in the sum of so many tens of millions of dollars; if you want to come into this field, we are glad to see you do it." Then the issue would be put up to Nasser, because he knows in his own mind that the probabilities are that the Soviets cannot carry out their commitment.

It is getting to be humiliating for us to read of these events. I do not say that the administration does not have it in mind.

My remarks are not to be misconstrued. They are my own personal remarks as an American and in my individual capacity as a Member of the House.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I am not talking as a Democratic Member, but as an American. I think my few remarks here today pretty much represent the views of the great majority, if not all, of my colleagues, without regard to political affiliation.

It is embarrassing to have the situation in which this great Nation of ours is placed. When we give assistance, at least there ought to be a minimum amount of gratitude for it. We are doing it in our own national interest, but it is also in their national interest.

As I view the situation in Egypt, Mr. Nasser is confronted with a very acute economic question. His playing with the Soviet Union does not deceive me or my colleagues. No matter how strong he might become militarily as a result of Communist aid in that field, his basic problem is an economic one. I think in his own mind he realizes he cannot rely on the Soviet Union, because even if they did give aid they would exact from him attributes of the sovereignty of his own country in addition to other exactions.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. What the gentleman is saying is that too many countries are playing both ends against the middle; that is, they are playing the United States off against Russia and Russia off against the United States.

Mr. McCORMACK. That in plain language is a fair statement and represents my state of mind.

Mr. GROSS. I would hope, then, with that commendable statement from the gentleman, that when the foreign handout authorization bill comes back from the Senate with a greatly increased amount of money, the gentleman will join some of us in sending it to conference with insistence upon the figures in the House bill.

Mr. McCORMACK. My remarks are addressed to those who are administering our foreign aid, asking them to realize that there has to be a reappraisal in the light of the policy of foreign aid and in the light of our rushing in to give greater aid and greater benefits, with the result that the Soviet Union gets the full credit in those countries and all we find is an anti-American atmosphere.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I should like to congratulate the majority leader on what I think is a splendid analysis of the situation. I hope he will not object to my reminding him that the gentleman from Virginia [Mr. HARRISON] and I have had resolutions introduced for some time to permit a reappraisal of our foreign-aid program. I mention this merely in the hope that the gentleman may see fit in his power and kindness to get those resolutions out for consideration.

Mr. McCORMACK. I am aware of those resolutions. If any action is taken toward the establishment of a commission, not to investigate but to survey our foreign commitments and actions in relation to mutual assistance, because I am sure no one would want an investigation, but rather a survey, I favor its being done on the legislative level rather than by a commission in the executive department. That is no reflection on the executive department. However, in a sense, such a commission would be investigating the very branch of Government that brought it into existence.

My voice is raised not as majority leader but as a Member of the House simply to show concern about the unfortunate position of our great country, that does not want one inch of land from another country. We are being placed in this position by the maneuverings of the representatives of the Soviet Union. Then our representatives try to outbid them. The Soviet Union is then permitted to retire gracefully without any commitment and say, "See what we have done for you? We forced the Americans to do it."

To me, that is humiliating and calls for some kind of clear thinking and affirmative action on our part by which we at least call the bluff of the Soviet Union.

Mr. HENDERSON. Mr. Chairman, with respect to H. R. 11040, it is not news to anyone that the United States no longer has the tremendous lead that it once enjoyed in military strength, airpower, and international prestige. Other nations of the world have challenged our position and as they offered the challenge, have themselves begun energetically to work at the task of assuming a prominent role in world leadership.

Nor is it any secret that our Government is facing grave difficulties in obtaining the necessary key scientific personnel to keep pace with the requirements of modern-day warfare.

Our committee hearings on this legislation disclosed that inability to attract and retain competent top-level scientific professional, technical, and administrative personnel is one of the most pressing problems faced by the Department of Defense, the National Security Agency, and the National Advisory Committee for Aeronautics. Private industry has found the necessity for such top-level personnel, and private industry is prepared to pay substantially higher wages than is the Government, under existing legislation.

Witnesses before our committee pointed out that although it is possible to keep key personnel when the wage differential may be 50 percent, that those people who are in key positions with the Government are devoted to their work and hesitate to change, when the monetary difference between what industry is paying and what Government is paying is not too great. But, tell a man with a growing family who wants to own his home and have a better car that he can go into private industry at 2 or 3 times the salary that he is receiving from Government and it takes a unique type of loyalty to keep him there.

And that is just what our departments of Government have discovered to be the case. The condition is particularly evident in the field of research and development. These programs have increased in size. They have grown more complex, and the demands are far more urgent. This bill is designed to help those departments of Government to attract and retain the talent which is necessary for the programs. They are not able presently to attract and retain these talents because of the shortage of higher level positions. This legislation would increase from 45 to 275 the number of scientific and professional positions in the Department of Defense under Public Law 313 as amended, provide 56 positions for use by the National Security Agency, increase from 10 to 60 the number of such positions in the headquarters and research stations of the National Advisory Committee for Aeronautics under Public Law 313, as amended, and authorize the Secretary of the Interior to establish and fix the compensation for not to exceed 10 such positions in the Department of the Interior, and finally to authorize the Secretary of Commerce to establish and fix the compensation for not to exceed 35 such positions in the Department of Commerce, making a maximum total of 375 such positions. These positions would pay not less than $10,000 or more than $15,000 as provided in Public Law 313, as amended.

I would like to point out here very emphatically that these are positions in the classified Civil Service, and that the salaries thereof as well as the qualifications of proposed appointees will be subject to prior approval by the United States Civil Service Commission.

Now, in addition to those positions, one other section of the bill provides that the

Secretary of Defense may place 285 positions in grades 16, 17, and 18 of the general schedule of the Classification Act of 1949 in lieu of 236 such positions now allocated to that Department by the Civil Service Commission. The difference between 236 and 285 is a net increase of 49 such positions. This is done by adding a subsection F to section 505 of the Classification Act of 1949. The 236 positions thereby released will return to the Civil Service Commission and be available for allocation to other departments and agencies of Government in accordance with section 505 of the Classification Act.

One further change is made with regard to section 505 by the enactment of this bill, as follows: Under section 505, as previously established, allocation of these so-called supergrades has been left exclusively to the Civil Service Commissioners in accordance with their determination of the needs. By the enactment of this legislation, Congress is saying that of the supergrades authorized 285 of them will be for the exclusive use of the Department of Defense.

The bill provides for a detailed system of reporting so that the Congress may maintain very close watch over the use of the scientific and professional positions. This is done two places in the bill—one on page 4, section 3, of the act of August 1, 1947, as amended, and again on page 6, where a new section of law is being enacted with regard to the reporting of supergrades by those agencies to whom they are assigned by the Civil Service Commission and by this act.

Insofar as the individual positions are concerned which are being filled by this act, each of them were detailed to us in the hearings, and in the opinion of our committee were fully justified. The day has come when, unless our strategic branches of Government can recruit and retain its key professional, scientific, and top executive career personnel, it cannot keep pace in this battle of wits, in this struggle for ideals, and in the campaign for military strength in which it is engaged in this day of democracies versus communism.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SIKES, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11040) to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes, pursuant to House Resolution 516, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is there a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

CREDIT FACILITIES TO FARMERS AND AMENDING BANKHEAD-JONES FARM TENANT ACT

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11544, with Mr. MACHROWICZ in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 30 minutes, and the gentleman from Kansas [Mr. HOPE] will be recognized for 30 minutes.

Mr. COOLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, the bill the committee brings to you today is an extension of the powers of the Farmers Home Administration in several different respects. In the first place, I should mention that this extends the period for emergency loans from June 30, 1957, to June 30, 1959, and it increases the authorization for such emergency or disaster loans from $15 million to $65 million—an increase of $50 million for the next 3-year period. It is perfectly true that the new period of extension does not start until 1957, but the present money is used up. The Department has advised us on several occasions that we should proceed expeditiously to provide additional authorization. The other body has made provision in the form of a separate bill. We have included that provision in this general bill.

Along with this extension of time and in the amount of money that we have brought to the House, there are several changes in the scope of the activities. We have for the first time made provision for loans to part-time farmers. It has become more and more apparent every month that a large portion of the farmers of America simply cannot make a living on the farm. More than one-third of all the farmers in America today find that they secure a major portion of their income off the farm. By that I mean a very large share of the people who till the soil in America find it necessary to supplement the income they get from their farm by work performed off the farm. That may mean they are engaged in a business of some kind or it may mean, and ofttimes does mean, that they are employed in industry in some adjoining community. But, in any event it means that the farms simply are not paying enough to make it possible for farm families to rear their families on the farms. In the past, the Farmers Home Administration has been restricted in its loans so that it could make no loan to any farmer unless he received the major portion of his income from the farm operation.

That automatically eliminated about one-third of the farmers of America, and generally eliminated those with the smallest income. We have felt that we should not open the door by inviting people who are now employed in industry or in business in town to go into the country and become part-time farmers, and thereby further aggravate the situation. But we found that such a large portion of the people who live on the farm have been depending on a job to pay their living that it makes it impossible under present regulations to finance their operations. The farmer who may have let us say 15 or 20 or 50 acres somewhere out in the country, where he might have made a livelihood in the past, but who now has a position in town is ineligible for a FHA loan at this time, even though he still lives on the same farm. So we say in this bill that if a man during the past 10 years has in any one of those years depended on the operation of his farm for his livelihood, even though today he is making a large share of his living working in town, we will be able to make him an operative loan to carry on his farming operation. We will be able to make him a loan for improving his equipment, his housing, and other activities that are related to his farming activities; but we cannot make him a loan under this bill to carry on a grocery business in town; but we will make him a loan to carry on his farming activities and take as security those farmlands, farm tools, housing, and other facilities that he uses in connection with his farming activities.

We then provide in this bill for a refinancing of existing farmers who are on farms of not more than family size, if the farmers are presently unable to meet the payments and conditions of their outstanding indebtedness and are unable to refinance their debts with commercial banks. But we specifically provide that this can only be done when the creditors of such a farmer are, if necessary, williing to so scale down the total indebtedness that the man, when refi-

nanced, will have security for the loan. In other words, we are saying that we are not going to refinance a man and still leave him owing more than his assets. If we did that sort of thing, all we would be doing would be bailing out the creditors. We would not be helping that man at all. But we are saying to those creditors, if a farmer is in such desperate condition because of a drought, crop failures, or low prices; if he is in such desperate condition that there is no way possible of being able to pay off his creditors, you get together, and if you will let the Farmers Home Administration take over the assets, take the liens, and scale down the debts, then we will let you step out, and we will carry the farmer. We think that is sound procedure. We think it is absolutely necessary procedure in a great many of the disaster areas.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield, certainly.

Mr. COOLEY. We have heard a lot of talk about the small farmers. I just want to suggest to the gentleman that it might be well for him to emphasize the fact that this agency deals only with small farmers, and that the provisions we are now presenting will be beneficial to the small farmers of America.

Mr. POAGE. Our chairman is exactly correct, as he always is. This agency, the Farmers Home Administration, deals only with what we call small farmers; the small family-size farmer, the farmer who cannot get commercial credit.

I know there are always questions asked about what is a family-sized farm. Let me answer it for you as best I can. A family-sized farm is a farm of whatever size is necessary to most efficiently use the labor and equipment of the family on the farm. That may well be vastly different in different sections of the country, depending on the type of agriculture, and it may be different for different farmers in the same neighborhood.

If the family group is capable of operating a farm of 50 acres with the employment of a minimum of outside labor, 50 acres is a family-sized farm for that family.

But maybe that family is growing tobacco, maybe they cannot efficiently handle more than 5 acres of tobacco or 2 acres without employing a large amount of outside labor. In such case 2 acres would be the family-sized farm for that family.

On the other hand, maybe a family is out in Colorado, where possibly the only way of making a living through farming is the operation of livestock. They may require two sections of land there or even more. Whatever it takes to efficiently use the resources of that family is what we consider a family-size farm.

We attempt in this bill to say that the United States Government is going to assist these families in continuing to stay on the farm. We say that "You have gone through hard times, you are still going through hard times, so it may be necessary to extend the period of your pay-out"; so we provide in this bill that there is an extension of the period.

The present law provides that none of these loans can be extended beyond 7 years, and I feel that that was probably a sound provision. I do not think that it is fair to any farmer or other individual to give him credit over a lifetime without any possibility of ever paying it out. So we provided a limit of 7 years. But in this bill we have said that if the farmer lived in a disaster area which has been certified by the Secretary of Agriculture as a disaster area, and if he has a sound reason for not having met his payments; if, in other words, in the eyes of the Secretary of Agriculture he is a meritorious case and is in a disaster area, the Secretary can extend his loans by the same number of years that he has been in the disaster area. In other words, if he has had only 1 year of disaster, then he may have an 8-year period; or if he has lived in a disaster area—and I know of some who have lived 5 long years, then he may add 5 to that time and he may have a 12-year payout.

We have also added in this bill to the amount that can be loaned. We have increased from $7,000 to $9,000 the maximum amount of original loans for operating purposes, and we have increased from $10,000 to $15,000 the indebtedness that the borrowers can owe at any one time.

Remember, the limits in the present law were based on values of about the year 1947. At that time $7,000 would buy a whole lot more equipment, would support a much larger operation than $9,000 will today. So we are actually squeezing down rather than extending the size of the operations these people can carry on. But we have said that we are not going to try to hold strictly to the 1947 purchasing power of the dollar.

I believe there is about one more thing in this bill that is deserving of attention. I hope you will understand it. We have provided here for the settlement of certain uncollectible debts. Our record in regard to the collection of these debts has been very excellent, far better than almost anyone would dare predict that it might possibly be. We have charged off less than 1 percent. But of course we have had 5 years of terrible searing drought in large parts of this country. We have had 3 years of terrifically low prices in this country and obviously some people are not able to pay out. Some of these loans were made purely upon the crop, but no crop was grown. Sometimes we took a mortgage on household chattels, the dishes, the wash pot, the cooking stove, and that sort of thing.

The Attorney General came before us and told us that it cost an average of $150 to collect one of these debts. He will not take them, I am told, unless they amount to $200. We felt it was ridiculous to spend that amount of money in an effort to collect a lesser amount, so we have authorized the Secretary of Agriculture to compromise and to write off indebtedness of less than $150 where he certifies there is no possibility of collection and there is a meritorious reason for releasing the debtor. We think that is sound. It is true that the former limit was only $10, but the Government has been losing money in trying to collect something that we could not collect. Such efforts have accomplished nothing except to cost the taxpayers money. We believe this is the businesslike procedure and is what every big business in the United States does.

Mr. Chairman, I believe that covers the major aspects of this bill. I want to point out that the gentleman from Maine [Mr. McINTIRE] has probably a better knowledge of all of the details of this matter of credit than almost any member of our committee and I know he will cover any details I have omitted.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Maine [Mr. McINTIRE].

Mr. McINTIRE. Mr. Chairman, the chairman of the subcommittee of the House Committee on Agriculture dealing with agricultural credit, the gentleman from Texas [Mr. POAGE] has given you a good explanation of this bill. I would like to point out that this subcommittee had before it two major pieces of legislation relative to agricultural credit in this session. One has already been reported to the House and passed by the House. That bill dealt with establishing the legislative basis upon which units of the Farm Credit Administration could retire from their capital structure the capital subscribed in to them by the Federal Government. In that legislation we did not change the lending authority particularly of those units, but simply provided for a basis of retiring their capital.

In the bill which is before the Committee today we are changing substantially the lending authority of the Farmers Home Administration. These two substantial portions of the extension of authority have already been touched upon by the gentleman from Texas [Mr. POAGE] and they deal primarily with authorizing the lending to part-time farmers, both in the area of the refinancing of existing indebtedness and also in the area of operating loans.

In this bill there is new authorization because existing legislation does not permit the Farmers Home Administration to function in this particular field.

The second major provision of this bill deals with an authorization to the Farmers Home Administration to refinance the debt structure of a farmer when the debt is not related to that of refinancing any other function like the acquiring of additional land or the improving of buildings or something of that nature, which functions are already authorized in existing legislation.

I would like to point out to you that under the leadership of the chairman of this subcommittee we have dealt with approximately 25 bills presented to the committee by various Members of the House. We have tried to take from all of these bills that were presented to and referred to the subcommittee some of those provisions and bring them together in the bill before you today.

Now, in considering these various measures set forth in these various bills we have not gone the full limit, as the gentleman from Texas [Mr. POAGE] has indicated, that was set forth in the bills as introduced. We have attempted to

put up some limitations, you might say, which we think, and are quite certain, will be helpful to the Farmers Home Administration in administering the provisions of the bill. We have not gone the full limit of some of the extensions of authority which were contained in some of those bills. But, out of this consideration we do believe we have before you today a bill which will meet the needs of many farm people. We do feel that in this field of part-time farm operators there is a need for lending for agricultural purposes. We have tried to hedge the eligibility of those farmers so that we are dealing with bona fide farm people. We have tried to make sure that we are dealing with folk who know how to operate a farm, and we are certain that we have laid down provisions which will mean that the ability of these farmers and the farm unit itself will be such that they can constructively be served, and we also believe that these limitations we have laid down will permit sound loans to be made and that the Government's interest in these loans is fully protected.

I would like to touch for a moment on this field of refinancing existing indebtedness. I think it might be said that this closes perhaps the one remaining gap in the whole field of agricultural credit and authorizes the Farmers Home Administration to deal with about every conceivable credit problem which might exist at the farm level. It is about the only field in which they have not had authorization previous to this time. They have existing authority under title I of this act to assist a farmer in rounding out an economic unit, acquiring more land, or improving buildings and to refinance outstanding indebtedness which might exist in relation to that operation if it seemed a constructive thing to do. However, they have not had authority up to this time to loan for the direct purpose of refinancing existing indebtedness without incorporating into that lending some additional feature like new land or improvement of buildings. This legislation closes that gap and will permit the Farmers Home Administration to make, on a long-term basis, loans which have for their primary purpose the consolidation of indebtedness in instances where the indebtedness structure is such that consolidation is constructive in the more efficient management of the farm operation.

That, to me, is a major step, and I want to emphasize it, because it will do what a number of Members indicated they felt should be done in this field of agricultural credit. The bill extends the lending base and an authorization for lending over and above what is permissible under the law in relation to land-bank loans which can, of course, be used for refinancing indebtedness and taking as security a real-estate mortgage.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Washington.

Mr. HORAN. I am very happy to see on page 2 of the report some mention made of long-term loans to orchardists. As we all know, when trees are planted, it takes about 8 years for them to produce. I wonder if the gentleman could comment on the wording on page 2 of the report.

Mr. McINTIRE. I would be very happy to, because the committee had this matter under consideration since interest had been expressed by Members of the House by bills introduced relative to the problem in areas where disasters had occurred, and this relates particularly to orchard loans, that in lending for the reestablishment of their orchards the time of repayment was not designed on the ability to repay from the reestablished portions of the orchard. Administratively I believe the Farmers Home Administration has been extending this repayment period for perhaps up to the second crop and from that time on payments would be required. It was the opinion of the committee that authority rested in existing legislation to extend the repayment period. So we placed in this report the section to which the gentleman from Washington [Mr. HORAN] referred, on page 2. It says:

> Consequently, if the purpose of the loan is to reestablish an orchard destroyed by the disaster and repayment is to be expected solely from the production of the orchard, the first repayment installment should be deferred until the income is expected from the reestablished orchard.

I am sure that it was the intent in our committee that this type of loan shall have established a repayment schedule which will fit the ability of that orchard to repay the loan rather than to have it short of the repayment ability of the reestablished orchard.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I should like to state a situation and get the gentleman's views on it, knowing he is an expert in this field.

In my area we have had considerable drought over a period of years. By reason of irrigation, many farmers have done reasonably well; but the impact of a drought over so long a period of time on the dry-land farmer has been considerable on the farmer, the bank, and on the hardware dealer, the implement dealer, and others.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. MAHON. Some of my banker friends in certain areas feel, and I agree with them, that the FHA has not gone far enough in refinancing people who have been put in such desperate straits by the prolonged drought. The FHA apparently has been afraid that it would be accused of bailing out the banks and officials of the FHA seem to think that that would be unpopular. I think that sort of thing might be overdone; but the bank is an important institution in a community and it is not improper to help a farmer just because the banker and merchant are likewise helped.

My question is this: Under this bill, H. R. 11544, can the administrators of FHA do a better job in helping coordinate a man's indebtedness, helping him to meet his banking obligations and his obligations to other creditors and getting himself in a position where he can work himself out of the dilemma in which he finds himself by reason of abnormal weather conditions or other conditions which have militated against him for a period of years?

Mr. McINTIRE. Mr. Chairman, I think I can answer that very frankly and say that in my opinion this will accomplish that objective. There are, of course, various disaster-type loans, but we shall not go into all of the criteria relative to those. But this proposed legislation will permit the Farmers Home Administration to go in and refinance outstanding indebtedness, either on a direct-loan basis or an insured-loan basis and permit a consolidation of indebtedness, taking as collateral security a real-estate or personal-property mortgage, whichever seems to be wise.

I think the answer is that this will do an effective job in that field. They have not had the authority up to this time.

Mr. Chairman, it is my opinion that this legislation will fulfill, in part, the administration's objective of effectively developing our rural resources, particularly in areas of small family-size farms, by providing a better agriculture credit base.

The CHAIRMAN. The time of the gentleman from Maine [Mr. McINTIRE] has expired.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, I am reluctant to take any of the time of the committee, but I do wish to direct a question to the gentleman from Texas [Mr. POAGE], who has rendered such an excellent public service in connection with this bill.

I have listened with great interest to what he has had to say and also to the remarks of the gentleman from Maine [Mr. McINTIRE] who has given us such an enlightening statement.

The gentleman from Texas will recall that in 1937, when the Bankhead-Jones Act was adopted, I was a member of the legal staff of the Department of Agriculture and took a great deal of interest in the problems covered by this legislation.

I remember sitting in the gallery the afternoon that the beloved Will Bankhead came into the well for one of his infrequent speeches to plead for the passage of that bill. I recall the contribution that was made by the gentleman from Texas, the gentleman from North Carolina [Mr. COOLEY], the gentleman from Kansas [Mr. HOPE], the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], the gentleman from Minnesota [Mr. H. CARL ANDERSEN], as well as the other senior members of the Committee on Agriculture on that occasion and subsequently.

We know that some mistakes were made in the early days of the Farm Security Administration in administering the act. I have been happy to see the improvements that have enabled us to profit by the experience of that agency.

One of the things that has distressed me however has been the loss of a sort

of crusading spirit, that sense of serving the people who need help at the hands of their Federal Government. But it was true of the Extension Service that at one stage its spirit seemed to lag. It was history repeating itself as economic problems tended to diminish. I would like to ask if the gentleman agrees that while we might not require a crusading spirit there must be something of the sense of idealism in human service if this program is to be made the vital program for the benefit of the Nation that it ought to be.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Texas.

Mr. POAGE. I think the gentleman's statement should cause me to point out to the House that not only did he take an interest in this program when he sat in the gallery in 1937 but he has taken a deep and very helpful interest in the Farmers Home program ever since he has been a Member of this House, and that has been a good many years. He has been one of the most helpful Members in trying to maintain that spirit of which he speaks.

The committee had in mind exactly the thing the gentleman is suggesting when we wrote this bill. We recognized, as I tried to point out a while ago, that one-third of the farmers of America are presently cut off from the benefits of the Farmers Home Administration because they are dependent upon outside sources of income for their livelihood. We recognize that there has been a change in agriculture, and that if we are to continue this program as one of service to the less wealthy groups of farmers we have to make some change in our program. We have tried to make it in this bill.

I believe you will observe that every change in this bill is intended to make the legislation of greater service to more of the small family-sized farms of America than it has been in the past. I think the gentleman from Maine [Mr. McINTIRE] put his finger on it when he said we were closing up a number of the gaps that had heretofore existed. We see an evil and we try to correct it. We see another evil and we try to correct it. We have tried in this bill to close many of those gaps in the needed credit structure for the family-sized farms.

Mr. HAYS of Arkansas. I appreciate very much what the gentleman has said in response to my question. I also appreciate what he said about me. I hope he will leave those remarks in the RECORD.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Texas.

Mr. MAHON. I commend the gentleman from Arkansas for bringing out in such a clear way the point that in the last few years some of the heart has gone out of the FHA and because of that agriculture has suffered. I am not discounting, of course, the good work that has been done. I hope the passage of this bill and these remarks on the floor of the House today will tend to invigorate the administrators of this program, causing them to make a more aggressive approach to the problem. Regardless of this act, it will not succeed unless there is a disposition down in the Department and out in the field to do the job of helping worthy people who are in need.

Mr. HAYS of Arkansas. I appreciate that very much. I think these are wholesome signs we have of a bipartisan legislative effort to encourage it.

I remember back in the old days when this program was being carried on to help family-sized farms there was a little school out in a rural section that had only 20 pupils. The teacher asked, "Who is the President of the United States?" Nobody answered. She said, "Doesn't anybody know the name of our President?" Finally one little fellow held up his hand and said, "Miss Myrtle, I don't know the name of our President, but Mr. Hanna is our Farm Security Supervisor." It was his tie to the Federal Government.

We all know, Mr. Chairman, of the threat to the family-sized farm. There are many evidences of concern over this trend and this bill embodies constructive ideas to arrest it. The Appropriations Subcommittee headed by the gentleman from Mississippi [Mr. WHITTEN] has also assumed leadership in the movement, particularly in stressing the value of supervision of certain activities where this type of credit is supplied. Such supervision is not resented; it is welcomed, and is the key to the success of the program.

Another indication of interest is in the discussions in the Banking and Currency Committee pertaining to the problems of underemployment in certain rural areas. The problem of low incomes in these areas must be attacked on many fronts. I am glad that this particular piece of legislation is being advanced today as one method of dealing with a major problem.

Mr. HOPE. Mr. Chairman, I yield 18 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, on March 8, 1956, I introduced in the House as did Congressmen HOPE, HOEVEN, AUGUST H. ANDRESEN, H. CARL ANDERSEN, and perhaps others, H. R. 9843, a bill which would provide for expanding farm credit through the Farmers home Administration.

Since this program was originally set up under the Bankhead-Jones Farm Tenant Act under title I and title II, the bill I introduced, H. R. 9843, was a bill to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes.

When the Committee on Agriculture considered this legislation, we held extensive hearings and the Department of Agriculture testified in detail as to the changes they wished to have made through H. R. 9843.

In order to bring to the House a bill that would include the changes that were made by the committee, a new bill was introduced which bears the name of our chairman [Mr. COOLEY] and is H. R. 11544.

The committee report was presented to the House on June 4, 1956.

While the changes are considerable, and the legal matter rather complex, the changes are not as full and complete as I had hoped we could make them, nor do they satisfy the Department in all the changes proposed in this legislation. In many cases they do not go far enough nor do they provide the FHA with the flexibility of operations especially necessary in drought or flood areas, or where other calamities have occurred.

I feel certain H. R. 9843 would have been better agricultural legislation but bow to the will of the majority of our subcommittee which handled this matter, and since the Committee on Agriculture reported the bill out unanimously, I support the measure and hope in the end the other body will make some additional changes which our committee seemed reluctant to make.

In discussing this matter I call the attention of the House to four suggestions made by President Eisenhower early in the 84th Congress.

In his message of April 27, 1955, he suggested:

First. That FHA be given authority to make loans to part-time farmers. This is being done in the bill I introduced and is also a part of H. R. 11544 that we are now considering. My own feeling is, and was, that this should have been considered and passed by the Congress during the early part of last year.

The second request made by the President in early 1955 was that money in addition to the regular budget be provided for extensive research—soil conservation, farm loans, and related services. This legislation, of course, would have required an appropriation, but no action was considered and nothing was done.

The third thing the President suggested in the message to the Congress in April 1955 was that funds should be provided for pilot programs to be conducted to secure information to aid the low-income group or type of farm. Here considerable data should be collected before outlining a definite program for such projects. We need this information, and here again this program should have been on its way over a year ago.

Finally, the fourth suggestion made by the President in his message to the Congress in 1955 was the authorization of $30 million for the Farmers Home Administration to be used in the operation of disaster programs throughout the entire United States, whether it was from a flood on the east coast, hail or cyclones in the Mississippi-Missouri Valley, or from freezes destroying fruit in the fruit areas. In other words, a general appropriation for disaster use in farm communities.

The major changes in H. R. 11544 are given on page 2 of our committee report, and I quote:

MAJOR PROVISIONS

(1) Authorizes the refinancing of existing indebtedness of eligible farmers on farms of not more than family size if the borrowers are presently unable to meet the terms and conditions of their outstanding indebtedness and are unable to refinance such debts with commercial banks, cooperative lending agencies, or other responsible credit sources

at rates and terms which they could reasonably be expected to fulfill. The bill authorizes FHA to accept a second mortgage for direct loans for this purpose, but not for insured loans.

(2) Authorizes FHA to make loans, for the first time, to part-time farmers. Loans authorized include those for real-estate improvement and development and loans for operating expenses. To be eligible, a borrower would have to be a bona fide farmer who has depended on agriculture for his livelihood for at least 1 year out of the most recent 10 and who is conducting a substantial farming operation at the time the loan is made. Such loans may also be made for refinancing but not for the acquisition of such a farm unit.

(3) The bill extends from June 30, 1957, to June 30, 1959, the authority to make economic-emergency loans under Public Law 727, 83d Congress, and increases from 15 to 65 million dollars the amount of money from the loan revolving fund which may be used for such loans.

(4) Increases from $7,000 to $9,000 the maximum amount of an initial loan for operating purposes and from $10,000 to $15,000 the total indebtedness for such loans a borrower may have outstanding at any one time.

(5) Authorizes the Secretary to extend the repayment period of regular operative loans to farmers in disaster areas by the number of years the area has been classified as a disaster area.

The report explains fully in the analysis of the bill the changes in section (1) real-estate loans; section (2) operating loans; section (3) general provisions; and section (4) economic emergency loans. Since these are given in detail in the report, I will not take the time of the House to discuss the analysis.

A great Secretary of Agriculture, William M. Jardine, Secretary of Agriculture from 1925 to 1929, said, and I quote:

> Could a farmer of the Pharaoh's time have been suddenly reincarnated and set down in our grandfathers' wheat fields, he could have picked up the grain cradle and could have gone to work with a familiar tool at a familiar job. And then, within the space of 20 years, the methods of crop production underwent greater changes than they had in the previous 5,000 years. At one stride, we covered ground where 50 centuries had left almost no mark.

True as the above quotation is—a statement made in the late twenties—should a statement of the same purport be made today, in this era of technological and scientific advancement, it would be more unusual and striking.

Assistant Secretary Earl Butz of the Department of Agriculture says that agriculture has made more progress since 1855, in the last 100 years, than in all recorded history. So, using a clock as an indicator, more would have been accomplished in the progress of agriculture the last 15 minutes than was accomplished in the previous 11 hours and 45 minutes.

Now carrying this allegory to our farmers, they would be turning out more products in 15 minutes, at the present time, than they would turn out in 11 hours and 45 minutes prior to 1855.

It seems to me that much of our legislative program for our farmers is still operating in the Dark Ages.

Since the late 1920's, the average cost of modern farm equipment for an individual farm has changed from an average of $10,000 to $40,000. It took four times as much to provide the equipment for a farm in 1955 than it did in 1930, yet we hesitate to liberalize our agricultural financial legislation to meet modern production progress.

In early colonial days in the United States, 85 percent of our population lived on the farm and were kept busy producing food for the population. Today 12 to 15 percent of our population live on producing farms and we have a 4 to 6 percent surplus of farm products classed as overproduction or surpluses.

How has such a tremendous production come about? Undoubtedly much of it is due to the fact that each farmer has, ready to use, 33 horsepower in the form of electrical equipment, tractors, or other power farming equipment. Compare this to the twenties when each farmer had 5.3 horsepower or to the 1870's when he had 1.6.

When farm tractors became equipped with built-in power takeoffs, this opened an entirely new type of farm equipment, such as cornpickers, balers, combines, sprayers, and so forth. When tractors became equipped with rubber tires, another great change in the course of agricultural production was instituted. The horse as a farm work animal was ready for extinction. The numbers decreased in 1924 from 23,285,000 to a little over 7 million by 1950.

With tractors equipped from the factory with power lifts, power takeoff, and rubber tires it was only a step further to the use of rear-engine tractor tool bar implements. The revolution of farm equipment had been completed and the number of tractors increased from 920,000 in 1930 to more than 4 million by 1950.

An agricultural statistician has stated that with the advent of the tractor the production of farmers in America in 1944 was enough greater than the average of 1930–39 to feed an additional 50 million people.

In 1930—USDA figures—man-hours to produce an acre of wheat were 5.77. In 1949, in the Great Plains area, man-hours had been reduced to 1.82 hours per acre.

In 1930, in the Corn Belt area, hours per acre to produce a corn crop were 6.9. In 1949, the State of Iowa average was 3.88.

The 1925–29 average to produce an acre of cotton was 9.6 hours. In 1949, in the Texas high plains, 6.5 hours.

Let us take a look at what has been going on in legislation during the same time that we have been making such revolutionary progress in production. The basic Agricultural Act, which specifies that the basic crops are cotton, wheat, corn, rice, tobacco, and peanuts, was passed in 1938, about the same time that agricultural types of farm equipment came into common use. And during World War II, with 20 percent less help on the average farm, the output of American agriculture was able to increase its production over 35 percent.

As we increased our production during the war, and continued to produce at a high rate in the years immediately following the war, we found ourselves with not only an outmoded basic Agricultural Act on our hands, but basic crops filling up all available storage space at a cost of over $1 million a day.

With the present understanding of our farm production and its possibilities, it is time, and indeed it is past time, that this Congress should take a look at our agricultural legislation, and it seems to me that we should immediately move toward a nonpartisan study designed to recodify present agriculture legislation and recommend a new type and kind of farm program that will bring into control and direction, not only basic crops as provided in the 1938 act, but bring into a complete, united, and integrated agricultural program all of our food and fiber production.

We should devise a program that will give direction to the progress new research and technological improvements are daily making in the field of scientific farming.

Such a program should strive to eliminate surpluses by finding and encouraging new uses for old crops so that surpluses will no longer plague our most basic industry.

And while doing this, we should not delay the promotion of our soil bank program in which we should not only provide for acreage reserve but a type and kind of conservation reserve to control and develop, conserve, and preserve the topsoil for the benefit of generations yet to come.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Indiana.

Mr. HARVEY. Mr. Chairman, I want to thank the gentleman and compliment him on the statement he is making. I wanted to make this observation particularly with regard to part-time farmers, because it has come to be a great factor in modern agriculture. In my own State in particular, I notice a report by the Indiana Business Review, earlier this year, in which it is said that 42 percent of the farmers of Indiana had substantial off-farm employment. This indicates that the farmer of 20 or 30 years ago who was a full-time family farmer, is not today. Many of these people are working in the nearby factories, and also carrying on their farm activities at the same time. In many instances they are just as good repayment risks as those who are full-time farmers. I think the recognition given to this development in agriculture is a commendable one, and I thank the gentleman.

Mr. HILL. I thank the gentleman for his contribution.

Mr. HOPE. Mr. Chairman, I yield 3½ minutes to the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, as one of the number of Members who introduced somewhat similar measures I am today, of course, very much in support of the bill before us. I congratulate our subcommittee on the fine work it has done on this report, and its chairman, the gentleman from Texas [Mr. POAGE], also the gentleman from Maine [Mr. MCINTIRE], for his effective work. I think he is an expert on farm credit matters.

The purpose of this bill is to liberalize farm credit. If this act is accepted and

passed I am convinced that it will be an unmitigated blessing to our farmers. It is a measure which in principle has been supported by our President, by our Department of Agriculture, and by our Secretary of Agriculture, who said in a recent speech:

When disaster strikes agricultural credit is urgently needed. If there is real distress farmers often cannot meet the standards of commercial credit; collateral is insufficient, terms needed for repayment are too long, and administrative costs are too great. It is in the interest of these farmers and the Nation's interest to help them get onto their feet. These farmers are good credit risks. I want to emphasize that, they are good credit risks, if the lender can afford to wait. Our Farmers' Home loan organization advanced many substantial loans to farmers who could not meet the standards of commercial credit, but their record of 9 years of operation is a 93-percent payout.

The major provisions to liberalize the farm credit law are as follows:

First. For the first time to give these ownership loans to all eligible applicants.

Second. To extend credit to part-time farmers.

Third. It would increase the funds authorized from $100 million to $125 million.

Fourth. It would authorize loans solely for refinancing where farmers are not able to get refinancing through private agencies.

Fifth. It would increase from seven to nine million dollars the maximum amount of initial loans and from ten to fifteen million dollars the total outstanding indebtedness.

Sixth. It would permit the Secretary to extend the repayment period to farmers in disaster areas. That is needed very much at the present time.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Utah was one of those who originally introduced companion bills to those of mine which had to do with these subjects and out of which has grown this proposed legislation. The gentleman exhibited his interest at that time. He has just mentioned the question of extending the term of repayment. While I am in agreement with the bulk of what is in this bill—I think it will do a lot of good—I feel personally very much disappointed that the extensions do not apply nationwide, may I say to the gentleman.

In other words, John Jones who just the other day in my community had 10 inches of rain dumped upon him and lost part or all of his crop, because he is not in a designated disaster area there is no way under this bill by which he can get an extension because that particular area does not come under the provisions of exceptions as outlined in the bill.

I cite local conditions in my district in Minnesota, but the same thing would apply to a farmer anywhere in the United States if his farm did not happen to be located in a so-called disaster area. I hate to think, and I believe the gentleman will agree, that we in the Congress would write general farm credit legislation and say in it that one of the important benefits would not be available to a farmer—regardless of his individual circumstances—unless he happened to have his farm located in a general disaster area.

As I have said many times before, I do not like sectionalism in national legislation. I want to see all farmers treated alike regardless of the section of our great land in which they live. That is the fundamental principle of our Republic and it should guide us in all legislation.

Personally, I do not believe that it is possible for us, in the brief interval we have for the consideration of such far-reaching legislation, to delineate either areas of need or areas of eligibility for benefits. That being the case, it is much to be preferred that the Congress make desirable benefits available on a general basis and leave something to the discretion of the administrative agencies in the way of determining who can be helped by our action. The county committees, the county supervisors, and the entire staff of the Farmers Home Administration are in a far better position to make such determinations than is the Congress.

The excellent repayment record of the Farmers Home Administration loan program, as the gentleman so well knows, is the best possible evidence of the integrity of the entire operation. I believe action by the Congress in making these extensions available on a national basis is fully justified in light of past experience. I do not believe any unnecessary extensions would be granted, and I believe the results would be beneficial to everyone concerned.

Mr. DIXON. Mr. Chairman, agriculture, in spite of somewhat low prices and declining farm income of the last few years, basically is in a relatively sound condition. For example, the present market value of total farm assets is nearly $163 billion. This is only $3 billion less than the total of all farm assets in the peak year of 1955. Compared with total farm assets of $163 billion, total debt obligations of all farms is only 11 percent of the total assets, about $18 billion.

Also, only 3 out of every 10 farmers have mortgage debt obligations, and over one-half of all farms mortgaged are mortgaged for less than 30 percent of their market value. In 1955, according to the administrative office of the Federal court system, only 336 bankruptcies for the last 5 years have comprised less than 1 percent of the annual number of such proceedings. I believe these facts indicate the basically sound financial position of American agriculture.

However, certain storm warning signals are beginning to appear which make it prudent for us to consider legislation at this time to help good farmers who cannot obtain credit from private or cooperative sources. In 1955, farm owners borrowed $2.4 billion on farm mortgage security. This was 26 percent more than in 1954, and represented 19,000 more mortgages than were made in that year, also. Farmers in 1955 borrowed $483 million from the Federal land bank system and their 1,100 local farm loan associations. This was an increase of 59 percent in the amount of such loans over 1954. Also, $338 million of this money loaned in 1955 was new money borrowed—a 50-percent increase.

During the first 10 months of 1955, 498 production credit associations lent their farmer members some $1.1 billion. As you know, these associations lend funds obtained from investors in obligations held by the Federal intermediate credit banks.

You can see, therefore, that even those farmers who have adequate collateral and satisfactory credit ratings are beginning to borrow in increasing amounts and at an increased rate. The Farmers Home Administration of the Department of Agriculture, on the other hand, has had the difficult responsibility of extending credit to good farmers who for various reasons simply cannot meet the standards set by commercial credit institutions, including the local loan and production credit associations I just referred to. The cost-price squeeze that farmers have been experiencing since 1951 has had the greatest effect upon farmers who find themselves in this unenviable position. But as Secretary Benson said in his address of last October 15, before the National Association of Mutual Credit Companies at St. Louis, Mo.:

When disaster strikes in agriculture, credit is urgently needed. If there is real distress, farmers often cannot meet the standards of commercial credit. Collateral is insufficient, terms needed for repayment are too long, and administrative costs are too great. It is in the interest of these farmers—and the Nation's interest—to help them get onto their feet. These farmers are good credit risks if the lender can afford to wait. Our Farmers Home Administration makes substantial loans to farmers who cannot meet the standards of commercial credit. Their records of 9 years of operation show 93 percent of the principal repaid.

So you see, FHA borrowers, as they are called, in general are good farmers and they are good credit risks, provided they are given adequate repayment conditions commensurate with their ability to repay. But many FHA borrowers throughout the country are having extreme difficulty meeting their present obligations. Many other would-be FHA borrowers, especially among the younger farmers, are not going to stay in agriculture unless they can obtain FHA loans on more liberal terms than the Farmers Home Administration has authority to make at the present time. With these farmers in particular experiencing a great intensive negative effect due to the cost-price squeeze, it is essential that the terms of FHA loans be more readily adapted to meet their needs. Especially is this true in drought disaster areas such as those which were designated last year and those this year in Utah.

Mr. Chairman, H. R. 11544 would extend the lending authority of the Farmers Home Administration with respect to real estate or farm ownership loans made under title I of the Bankhead-Jones Farm Tenant Act and title II relating to production and subsistence loans of the same act, as amended.

With real estate values on the rise since mid-1954, it is becoming more difficult for the owners and operators of

small full- and part-time family farms to obtain credit to enlarge their farms through land purchases. In this respect, it should be noted that land prices have advanced more since 1947–49 than most other groups of commodities. The latest USDA reports indicate that as of November 1, 1955, values increased 2 to 4 percent in 31 States during the preceding 4 months' period alone. Likewise, with the costs of building materials, and so forth, on the increase, many of these farmers cannot build and maintain suitable family living quarters and other farm buildings which are necessary to a happy and successful farm operation.

The basic provisions of the bill are as follows:

First. Section 1 (a) would make farm ownership loans for improvements, including housing and other farm buildings, to all eligible applicants rather than just existing borrowers who obtained loans initially for the purpose of acquiring, repairing or improving family-size farms.

Second. Section 1 makes farm ownership loans to farm owners of not larger than efficient family-type farms, who receive a substantial portion of their incomes from farming. Heretofore, loans under title I have been limited to veterans, farm tenants, laborers, sharecroppers and others who obtain the major part of their income from farming operations.

Third. Section 1 would authorize such loans for the repair and improvement on those farms which at present are less than family-type units which constitute the residence of the owner-operator, if the income from outside sources, plus income from the farm, will warrant the making of such loans. Heretofore, farm ownership loans were limited to full-time family-type farms of sufficient size "to constitute an efficient family-type farm-management unit."

Fourth. Section 1 (d) establishes as the maximum amount of a farm ownership loan the fair and reasonable value based on the normal market value of those farms constituting less than family-type units. For a unit that is less than a full-time farming operation, factors other than the earning capacity of the farm generally influence its value.

Loans on full-time family-type farms continue to be based on the earning capacity of the farm. Loans will still be limited to not to exceed the fair and reasonable value of the farm less any prior lien indebtedness.

Section 1 (e) would also authorize the Farmers Home Administration to increase from $100 million to $125 million the aggregate amount of mortgages on farm-ownership loans which may be secured in any 1 fiscal year. Section 1 (h) would authorize the Farmers Home Administration to make and insure loans solely for refinancing existing indebtedness of farm owners of farms not larger than family size, who qualify for farm-ownership loans—housing and other farm buildings as well as real estate—under the expanded authority of section 1 of the bill. This subsection authorizes the appropriation of $50 million of the $125 million ceiling for this purpose.

This bill also amends title II of the Bankhead-Jones Farm Tenant Act, as amended, as follows:

First, section 2 changes the title of title II of the act from "Production and Subsistence Loans" to "Operating Loans."

Second, it amends section 21 (a) so as to limit operating loans for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and so forth, to farmers and stockmen who are citizens of the United States and who are:

(a) Operators of full-time family-type farms.

(b) Operators of part-time family-type units who during 1 or more of the last 10 years depended upon farm income for their livelihood, and who are conducting substantial farming operations if the farm unit is of sufficient size to produce income, which together with the income from other sources, will enable them to meet living and operating expenses and the amounts due on their lands.

This change is designed to provide credit to low-income and part-time farms and in that respect to implement the rural-development program now being developed in 50 pilot counties throughout the country.

Third, section 21 (b) of the present act would be amended to provide for a limit of $15,000 on the total outstanding principal indebtedness including accrued interest, taxes, and so forth, of operating loan borrowers. Initial loans may be made also in an amount not to exceed $9,000.

H. R. 11544 will, in my opinion, provide more liberalized and badly needed credit for farmers who cannot obtain such credit from private lending institutions for various reasons. Mr. Chairman, merely because many of our farmers cannot obtain credit from private lending institutions does not mean they are not good credit risks.

This is borne out by a March 29 reply I received from Mr. Robert B. McLeaish, Administrator, Farmers Home Administration, to a letter of mine written March 26. The purpose of my letter was to obtain answers to certain questions concerning the extent of FHA activities in Utah, and the repayment record of Utah FHA borrowers. The letter enumerates the questions and provides the answers in concise form, as follows:

1. What percentage of Utah farmers are getting their credit from the Farmers Home Administration?

We have been unable to secure statistics which would accurately represent the percentage of Utah farmers who are getting their real estate and farm operating loan credit from the Farmers Home Administration. In the past, when this question has arisen, we used as a basis the percentage of outstanding farm indebtedness owed to the Farmers Home Administration as compared to all principal lenders. We believe this would be a fair method of appraising the participation of Utah farmers in the loan programs of the Farmers Home Administration.

(a) Real estate loans: As of January 1, 1955, the Farmers Home Administration held 7.2 percent of the entire farm mortgage debt outstanding. This percentage includes, as a part of the Farmers Home Administration-held indebtedness, the insured farm ownership loans under title I of the Bankhead-Jones Farm Tenant Act, even though funds for these loans are actually advanced by private lenders. The percentage of farm mortgage debt held by the Farmers Home Administration, calculated on the basis of insured loans being held by other lenders, was 6.7 percent on January 1, 1955.

(b) Farm operating and subsistence loans: On July 1, 1955, the Farmers Home Administration held 11.9 percent of the total operating loan indebtedness of Utah farmers. This percentage is based on the total indebtedness of principal lenders in the operating loan field, not including loans held by individuals, dealers, merchants, finance corporations, marketing agencies, similar lenders.

2. What has been the rate of repayment by Utah FHA borrowers?

As of March 31, 1955, borrowers owing farm ownership loan balances under title I of the act had paid 95 percent of the cumulative amount that had fallen due on their loans. As of June 30, 1955, borrowers who had received production and subsistence loans from the inception of the program had paid an average of 94 percent of the principal amount that had fallen due on their loans. The percentages for both of these programs are averages as of the particular dates for all borrowers, taking into account prepayments by some borrowers as well as delinquencies of others.

3. What percentage of delinquency has existed in the last few years?

The following table shows the percentage of delinquency of the borrowers owing balances at the dates indicated for the two loan programs:

Percentage of dollar delinquency

	United States total	*Utah*
Farm ownership loans:		
Mar. 31, 1952	5	10
Mar. 31, 1953	5	11
Mar. 31, 1954	5	12
Mar. 31, 1955	5	11
Production and subsistence loans:		
June 30, 1952	26	20
June 30, 1953	25	23
June 30, 1954	26	22
June 30, 1955	27	23

Mr. Chairman, the Subcommittee on Credit of the Agriculture Committee held extensive hearings on this bill. Its members labored long and hard to put together a workable bill comprising suggestions from many sources. Likewise, the full committee gave considerable attention to the bill. I urge its speedy passage by the House.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. COOLEY. Mr. Chairman, I yield myself 1 minute just to say that I want to congratulate the subcommittee on the bill that has been prepared and presented here today and to say that in my opinion the bill will be very beneficial to our small farmers. The bill was unanimously reported by the House Committee on Agriculture, it has the support of the Department of Agriculture, and I hope it will pass without opposition.

Mr. POAGE. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON of Wisconsin. Mr. Chairman, I attended the hearings held on this legislation before the House Agriculture Committee. I feel that this legislation is very beneficial to the small family-type farmers of our country and also to the young veterans who are just beginning their farming operations.

This bill, in part, should help in the credit situation. When the Wisconsin bankers made their annual trip to Washington, one of the members told me and other Congressmen that unless something was done to relieve the credit situation, the banks in his county would have to start foreclosure proceedings. These young farmers are doing a fine job, but unless the Government can take over the loans of some of these deserving young men, the banks will have to close them out. I am hoping that some of these fine young men will be able to refinance their farms through the Federal Government and thus continue farming.

I want to compliment our distinguished chairman, Congressman HAROLD COOLEY, and our vice chairman, Congressman BOB POAGE, for the wonderful job they have done in acting so promptly in this emergency.

Mr. HOPE. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Oregon [Mr. COON].

Mr. COON. Mr. Chairman, I, too, am vitally interested in this legislation and I think this will be of great help to the small farmers. I want to compliment the subcommittee that handled this legislation for doing a very good job.

I would like at this time to ask a member of the subcommittee, the gentleman from Maine [Mr. MCINTIRE] a question. We had a very serious freeze out in the Milton-Freewater area last year in which nearly all of the orchards of that area were destroyed. From 90 to 100 percent of the trees were killed and those farmers are in a bad way in that frozen area. What they need is credit and that they be allowed to defer repayments on their loans until the orchards get back into production. Now, will this legislation do that for the farmers in that Milton-Freewater area?

Mr. MCINTIRE. In reply to the gentleman's question, may I say I believe it will. I also want to say that the subcommittee had before it the bill which the gentleman from Oregon introduced relative to this problem. We placed in the report accompanying this bill, on page 2, a provision entitled "Loans to Orchardists." If I may I should like to quote the following from that report as follows:

> Consequently, if the purpose of the loan is to reestablish an orchard destroyed by the disaster and repayment is to be expected solely from the production of the orchard, the first repayment installment should be deferred until income is expected from the reestablished orchard.

I believe it is the committee's intent, and this should be placed on record as far as the committee is concerned, that these loans should be made with a repayment schedule adjusted to repayment ability of the reestablished orchard.

I think that covers the point which the gentleman had in mind in the bill which he presented.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman from Texas.

Mr. POAGE. It is my recollection that when the representatives of the Department appeared before the subcommittee we asked them if they did not have this authority and they readily agreed that they did have the authority, and we felt then that there was no use writing new authority in there. But, we told them to use the authority that they admitted they had.

Mr. COON. This then will establish the policy that they can use that authority and defer repayment until the orchards are put back into production.

Mr. COOLEY. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Bankhead-Jones Farm Tenant Act, as amended, is further amended as follows:

(a) The following sections of title I of the Bankhead-Jones Farm Tenant Act, as amended, are further amended as follows:

Section 1 (a) is amended by striking from the second sentence thereof the words "to assist borrowers under this title in making the" and inserting in lieu thereof the words "or insured for" and by striking the word "their" preceding the words "farming operations."

(b) Section 1 (b) is amended by inserting after the word "only" in the first sentence the words "farm owners," by striking the words "(including owners of inadequate or underimproved farm units)," and by inserting in lieu of the words "the major portion" the words "a substantial portion."

(c) Section 1 (c) is amended to read as follows: "No loan shall be made, or mortgage insured, unless the farm is a family-type unit of such size as the Secretary determines to be sufficient to enable the family to carry on successful farming of a type which the Secretary deems can be carried on successfully in the locality in which the farm is situated: *Provided, however*, That—

"(1) loans may be made to veterans or mortgages insured for veterans, as defined in section 1 (b) (2) hereof, who have pensionable disabilities, with respect to farm units of sufficient size to meet the farming capabilities of such veterans and afford them income which, together with their pensions, will enable them to meet living and operating expenses and the amounts to become due on their loans; and

"(2) loans may be made or mortgages insured to owner-operators who are bona fide farmers who have during one or more of the last 10 years depended on farm income for their livelihood, and who are conducting substantial farming operations on units which are less than family-type units, to repair or improve such farm units, and to refinance indebtedness of the owner incurred for agricultural purposes, if such farms are of sufficient size to produce income which, together with income from other sources, will enable them to meet living and operating expenses and the amounts to become due on their loan."

(d) The second sentence of section 2 (b) is amended by striking the period at the end thereof and inserting a comma and the following: "except that, for loans under either part of the proviso in section 1 (c) of this title, the certification shall be based on the normal market value of the farm."

(e) Section 12 (b) is amended by striking the figures "$100,000,000" and inserting in lieu thereof the figures "$125,000,000."

(f) Section 12 (c) is amended by striking item (5) thereof and inserting in lieu thereof a new item (5) reading as follows:

"(5) The principal obligation (plus the amount of the prior lien, if any, and fees and charges chargeable under subsection (d) of this section) shall not exceed 90 percent of the value of the farm as certified by the county committee pursuant to section 2 (b);"

(g) Section 12 (e) is amended by striking from the last sentence of item (2) the words "to carry out the provisions of this title, relating to mortgage insurance" and by inserting in lieu thereof the words "of the Farmers Home Administration and may be transferred annually to that administrative expense account and become merged therewith".

(h) The following new section 17 is added:

"SEC. 17. Until June 30, 1959, the purposes for which loans may be made or insured under this title shall include the advance of funds for refinancing secured or unsecured indebtedness of eligible farmers on farms of not more than family size who are presently unable to meet the terms and conditions of their outstanding indebtedness and are unable to refinance such debts with commercial banks, cooperative lending agencies, or other responsible credit sources at rates and terms which they could reasonably be expected to fulfill. No such loans shall be made to an applicant whose total indebtedness is in excess of the amount certified by the county committee to be the value of the real estate, less any prior lien indebtedness not to be refinanced, and the reasonable value of the applicant's livestock and farm equipment, unless the aggregate of the outstanding indebtedness shall be adjusted so as to be within such values. The total amount of loans insured in any one fiscal year under this section shall not exceed $50,000,000."

SEC. 2. Title II of the Bankhead-Jones Farm Tenant Act, as amended, is further amended by striking the words "Production and Subsistence Loans" in the title and inserting in lieu thereof the words "Operating Loans", and by the amendment of section 21 to read as follows:

"SEC. 21. (a) The Secretary may make loans to farmers and stockmen who are operators of family-type farms and who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence: *Provided, however*, That loans may be made to operators who are bona fide farmers who have during one or more of the last 10 years depended upon farm income for their livelihood and who are conducting substantial farming operations on units who are less than family-type units, if the units are of sufficient size to produce income which, together with income from other sources, including pensions in the case of disabled veterans, will enable them to meet living and operating expenses and the amounts due on their loans.

"(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed $8,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding under this section, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds $15,000.

"(c) The terms of loans under this section, including any renewal or extension of any such loan except as provided in subsection (d) hereof, shall not exceed 7 years from the date the original loan was made.

"(d) No person who has failed to liquidate his indebtedness under this section for 7 consecutive years shall be eligible for loans hereunder: *Provided, however*, That in justifiable cases, in areas designated under Public Law 875, 81st Congress, as amended (42 U. S. C. 1855), for agricultural assistance or where the Secretary has made loans under

Public Law 38, 81st Congress, as amended (12 U. S. C. 1148a), or under Public Law 727, 83d Congress, as amended (12 U. S. C. 1141a–1), where the Secretary finds that the inability of a borrower to repay his indebtedness under this section within 7 years is due to natural causes beyond the control of the borrower, the Secretary may extend or renew such loans to be repayable in not to exceed a number of additional years equal to the number of years the area has been designated for such emergency assistance or loans. The Secretary may make additional loans to such persons, if necessary, during the same number of additional years."

SEC. 3. Except insofar as they affect title III of the Bankhead-Jones Farm Tenant Act, as amended, the following sections of title IV of the Bankhead-Jones Farm Tenant Act, as amended, are further amended as follows:

(a) Section 41 (g) is amended to read as follows:

"(g) Compromise, adjust, or reduce claims and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require: *Provided, however,* That—

"(1) compromise, adjustment, or reduction of claims of $15,000 or more must be effected by reference to the Secretary of the Treasury or to the Attorney General pursuant to the provisions of section 3469 of the Revised Statutes (31 U. S. C. 194);

"(2) compromise, adjustment, or reduction of claims shall be based on a reasonable determination by the Secretary of the debtor's ability to pay and the value of the security and with or without the payment of any consideration at the time of such adjustment or reduction;

"(3) releases from personal liability may also be made with or without the payment of any consideration at the time of adjustment of claims against—

"(A) borrowers who have transferred the security property to other approved applicants under agreements assuming the outstanding secured indebtedness; and

"(B) borrowers who have transferred their farms to other approved applicants under agreements assuming that portion of their outstanding indebtedness against the farm which is equal to the value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the county committees certify and the Secretary determines that the borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

"(4) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee established pursuant to section 42 of this act; and

"(5) any claim which has been due and payable for 5 years or more, and where the debtor has no assets from which the claim could be collected and has no apparent future debt-payment ability, or is deceased and has left no estate, or has been absent from his last known address for a period of at least 5 years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the employee of the Administration having charge of the claim: *Provided, however,* That claims involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical."

(b) The first sentence of section 42 (a) is amended by inserting, after the word "county" where it first appears, the words "or area within a county", and after the word "county" where it later appears in said sentence, the words "or area."

(c) Section 43 (d) is amended by striking the words "as family-size farms."

(d) Section 51 is amended to read as follows:

"SEC. 51. The Secretary is authorized and empowered to make advances to preserve and protect the security for, or the lien or priority of the lien securing, any loan or other indebtedness owing to, insured by or acquired by the Secretary under any programs administered by the Farmers Home Administration; to bid for and purchase at any foreclosure or other sale or otherwise acquire property pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any such indebtedness; to accept title to any property so purchased or acquired; to operate for a period not in excess of 1 year from the date of acquisition, or lease such property for such period as may be deemed necessary to protect the investment therein; to sell or grant rights-of-way or easements over such property; and to sell or otherwise dispose of such property in a manner consistent with the provisions of section 43 of this act. Any advances or expenditures under this section with respect to any insured loan or insured mortgage shall be paid out of the mortgage insurance fund."

SEC. 4. Section 1 of the act of August 31, 1954, as amended (68 Stat. 999; 69 Stat. 223), is further amended by striking the figures "1957" and inserting in lieu thereof the figures "1959" and by striking the figures "$15,000,000" and inserting in lieu thereof "$65,000,000."

With the following committee amendments:

Page 3, line 22, strike out "the prior lien, if any, and" and insert "any."

Page 5, line 21, strike out "who" and insert "which."

Page 6, line 6, strike out "$8,000" and insert "$9,000."

The committee amendments were agreed to.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on January 23, 1956, I introduced two bills, H. R. 8653 and H. R. 8654, to liberalize and extend farm credit operations of the Farmers Home Administration under the Bankhead-Jones Farm Tenant Act.

In simple terms, these bills proposed two things. H. R. 8653, in recognition of the decline in net farm income in recent years, proposed to extend to a total of 10 years the repayment period on production and subsistence loans which is by present law limited to a total of 7 years.

H. R. 8654, in recognition of the same conditions together with a sharp rise in farm mortgage debt and tightening of credit in rural areas, proposed a new title V to the Bankhead-Jones Farm Tenant Act authorizing direct and insured refinancing loans—including farm mortgages.

In considering the bill before us, I believe that it meets in large measure the intent of my bill, H. R. 8654. I am happy to see this done because there is throughout the Nation a very pressing need for this type of farm credit. I recall that when the House Committee on Agriculture held hearings this spring on my bills there was considerable interest in this proposal and I am most pleased with the action of the committee in accepting the basic principles of H. R. 8654.

However, I am personally quite disappointed with the failure to act favorably on my proposal to extend the repayment period on production and subsistence loans. Anyone familiar with agriculture knows that as a general rule those borrowers who have found it necessary to turn to the Farmers' Home Administration for production and subsistence loans were at the time they did so in a tight or even precarious credit situation. They had to be, to even be eligible for the loan; otherwise, credit would have been available from other sources.

Throughout my almost 18 years in the Congress I have always tried to consider objectively the problems of all farmers, regardless of whether they lived in the North, East, South, or West. I have fought just as vigorously for the beneficial programs farmers in the South wanted and needed as I did for those of immediate benefit to the farmers in my Seventh District of Minnesota. I do not subscribe to sectionalism or favoritism in farm legislation, or any other national legislation for that matter.

Now, however, we have a bill before us which proposes to make available time extensions on production and subsistence loans only to those farmers in the disaster areas. In other words, if a drought-stricken farmer lost his crop, or part of it, one year and his area was included in a designated disaster area, he would be eligible for a 1-year extension. However, if an average farmer in any other part of the country found that due to the general decline in net farm income he was in an equally serious credit situation, he would not be accorded equal consideration under the bill before us.

The bill before us is generally good and has as its purpose the relief of credit stringencies which have mainly developed because of the decline in net farm income. However, the proposed amendment to subsections (c) and (d) of section 21 of the Bankhead-Jones Farm Tenant Act does not go far enough. By limiting its beneficial effects to farmers in the areas adversely affected by natural disasters, it ignores the problems of farmers in other areas who in many instances are equally in need of its benefits due to adverse economic conditions. In the final analysis, the whole purpose of the bill before us is economic in nature and I personally believe it would be a mistake to limit one of its principal benefits to sectional groups. A credit problem is just as important to a farmer regardless of its cause or its inception.

Let me further illustrate the inadequacy, and I may say unfairness, of the bill before us in this particular regard. As has previously been said, this credit extension feature will be of great value to farmers in the flood areas of the East and the drought areas of the West and Southwest. I note from the remarks of the gentleman from Oregon that some special recognition has been given in the committee report to the coastal areas damaged by freezes in the orchards. All of this is fine and it has my full and unqualified support; but it simply does not go far enough in my personal opinion.

In the area surrounding my farm in Minnesota, some of my neighboring farmers have had 10 inches of rain in the last few days. Some of them are no doubt now filing claims under their crop insurance. This year they have been flooded out; last year they were dried out. However, the little areas sometimes involving only a few sections of land have not been included in the disaster areas mentioned in the proviso in this bill and as a result they will not be eligible for the benefits of this extension.

I want to make that point clear for the benefit of the committee. There will be no help under this bill as now written for farmers in those isolated communities whose crops are damaged or destroyed by rail, flood, or drought because they are not in an officially recognized disaster area. As a general rule, the disaster designations cover certain counties. Someone has to make the decision as to which counties shall be included and which shall not. The line has to be drawn somewhere, and after it has been drawn by administrative edict the farmers on one side of that line will be eligible for the extension of their loans while those on the other will not. That in my opinion is sectional and therefore objectionable in national legislation of this nature.

By the very laws mentioned in the proviso in the bill before us we have recognized the special needs of the disaster areas and have made provision to meet them. Let us not make the very serious mistake of limiting the benefits of this otherwise very desirable legislation to those particular geographical areas.

One final point. In considering the liberalization of these so-called production and subsistence loans, please keep in mind that it is still discretionary with the Secretary of Agriculture, and through him with the Farmers' Home Administration, to approve or deny requests or applications for such extensions. We are merely saying by law that they may be extended to 7 years under existing law, or to a total of 10 years if my proposal is adopted. This is especially important to many of our young veterans who started farming since World War II or Korea and have not built up sufficient reserves or equity to see them through present difficulties. By authorizing extensions to a total of 10 years we would not by any manner or means be jeopardizing the best interests of the Federal Government as a lending agency. As a matter of fact, from my discussions with employees, officials, and county committees of the Farmers' Home Administration, we might even improve the possibility of collections on some outstanding loans if the agency had the authority to extend some of these loans a year or so instead of throwing them into the delinquent column.

I had earnestly hoped that the Committee on Agriculture would recognize the need for this amendment and I so advised the committee when I appeared before it this spring to testify in support of my bills.

I feel constrained to offer an amendment to correct this inadequacy but will refrain from doing so in order not to jeopardize passage of what is otherwise a most desirable bill. It is late in the session and I would not want to endanger passage by creating a controversy here today.

However, I do hope the other body will take cognizance of the problem and correct the deficiency when the bill comes before them. That is why I am calling the matter to the committee's attention here today.

I hope, Mr. Chairman, that the other body considers this particular point when the bill is taken up. The balance of the bill is good and its provisions are necessary. If the other body takes appropriate action, I hope the House Committee on Agriculture will give the amendment the consideration it deserves.

Mr. BOW. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I take this time to ask the gentleman from Maine [Mr. McINTIRE] or the gentleman from Texas [Mr. POAGE] several questions which I feel will be asked of me on my return to my district.

Under the bill we are making loans and taking care of the small part-time farmer by financing him to continue his operations. I have had a number of letters from farm operators in my district complaining about the part-time farmer, that he is causing some of the trouble of the regular full-time farmer. If we are financing the part-time farmer here, are we developing additional competition against the full-time farmer who depends entirely upon farming as his occupation for his income?

I am asking this simply for information that we may pass on to those who may have some objection to it.

Mr. POAGE. We cannot develop competition since we are not making any purchase loans under this provision. Therefore, we cannot bring new people into the picture. We limit these loans to farmers who have in the past depended upon agriculture for their livelihood. Consequently we are not financing the man who is simply going out from industry or business and setting himself up as a farmer. We are making loans only to continue the farming operations of those who have heretofore been engaged in farming and have been dependent upon farming for their livelihood. We think that is a reasonable limitation.

Mr. BOW. Do I correctly understand that anyone who in the last 10 years has had 1 year in which he received the greater portion of his income from farming is eligible, so that we are over a period of 10 years picking up someone and financing him to go back into farming?

Mr. POAGE. That is true, provided he meets a large number of other requirements, such as that the loan can be made or the mortgage insured only to owner-operators who are at the time bona fide operators and who are conducting substantial farming operations. By that, of course, we mean those who are doing a substantial amount of marketing.

Mr. BOW. Who makes the determination as to that?

Mr. POAGE. The Department of Agriculture makes it. Of course, that in effect means the local committee will make it.

Mr. BOW. The local committee will do that?

Mr. POAGE. Yes. We make all those limitations in addition to the fact that the borrower has to have within the past 10 years been dependent upon agriculture for his livelihood.

Mr. BOW. Let us assume we have a man back from Korea who has gone into farming. He, of course, has not been there for 10 years. Is he eligible for this loan if he is in trouble?

Mr. POAGE. Provided that for at least 1 year he has depended on that farm for his livelihood. If he just comes back from Korea today and has a job with the General Tire & Rubber Co. and is drawing $400 a month in salary, and buys a residence at the edge of town and puts in a dozen tomato plants, he does not qualify.

Mr. BOW. I am talking about the men we have had come back from Korea during the past 3 years who have gone into farming and are caught in this squeeze. Are they eligible for this, even if they have not been there for 10 years?

Mr. POAGE. I thought we were quite liberal in the definition of a man who had been a farmer in that we required him only to show in addition to that fact, the further fact that he is a bona fide operator at the present time and that his operations are substantial; that is, that he depends upon them for some appreciable part of his income. Then we require that he show that sometime during the past 10 years he was dependent for his livelihood on those operations. We did not say that it was sufficient to show that he received even the major part of his livelihood from the farm, but during one of those years he must have been dependent upon farming operations for his income.

Mr. BOW. The great Committee on Agriculture of the House has studied this, and they do not feel that by the adoption of this legislation we are creating any additional burden on the regular full-time farmer?

Mr. POAGE. We do not think so. We were much disturbed and fearful about that possibility, just as the gentleman from Ohio is, but we think we have so limited the new credit that we will not create new competition. We are simply trying to keep those people farming who have tried to make farming their major activity, and we are giving no aid or comfort to those who are trying to push into the farming field on a part-time basis.

Mr. BOW. I thank the gentleman.

Mr. JONAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to ask the gentleman from Texas another question. I notice on page 3 of the bill, the section beginning on line 22, reads as follows:

> (5) The principal obligation (plus the amount of any fees and charges chargeable under subsection (d) of this section) shall not exceed 90 percent of the value of the farm as certified by the county committee pursuant to section 2 (b).

Does that contemplate that loans up to 90 percent of the value of the farm, as

certified by the county committee, may be granted?

Mr. POAGE. Yes, that is what it means. Direct loans are made for 100 percent. This means if they are insured loans, they cannot exceed 90 percent.

Mr. JONAS. That is not 90 percent of the fair value of the farm, but 90 percent of the value certified by a committee. Does the committee undertake to determine the fair value of the farm?

Mr. POAGE. That committee is limited on what it can certify on the basis of the agricultural value. As you will find in existing law, the committee is limited in making its appraisal to what we call the agricultural value, and that means the reasonable anticipated income that can be made from the farm.

Mr. JONAS. But, it would not involve then a loan of 90 percent of the market value of the farm.

Mr. POAGE. Not necessarily. It might, however. It might exceed or it might be less. We have found in times of inflated values that ordinarily your agricultural value is somewhat less than your market value because people will pay a speculative price for land. Of course, in times of deflation you sometimes will find the reverse taking place. At the present time, I think, it clearly means it would not go as high as your market value.

Mr. JONAS. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Are there any further amendments? If not, under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MACHROWICZ, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Tenant Act, and for other purposes, pursuant to House Resolution 542, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The SPEAKER. The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

PROGRAM TO ALLEVIATE CONDITIONS OF EXCESSIVE UNEMPLOYMENT IN ECONOMICALLY DEPRESSED AREAS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I have introduced a bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas.

My original bill, H. R. 7857, on this same subject was referred to the Committee on Ways and Means of the House because of a tax-raising provision which is not in this new bill, and extensive hearings were conducted and concluded by the Senate Labor and Education Committee, both in Washington and in some of the areas including my district. The hearings were taken place in Wilkes-Barre, where the problem sought to be relieved by the bill exists. The need for this type of legislation, was conclusively established by the hearings. Many constructive suggestions for the improvement of the bill were also received. As a result of the hearings, therefore, the desirability of certain changes in the original bill became apparent, and this amendment in the nature of a substitute was drafted to meet those needs and suggestions.

Under this bill which was originally called the depressed areas bill, it now will be entitled "The Area Redevelopment Act." It will establish programs not only to help relieve chronic unemployment in areas of excessive underemployment. The purpose of the bill, of course, is to help all these areas help themselves.

The bill provides for closer cooperation by Government agencies and private industry in the effort to work out a real solution to this problem.

As it became apparent that the problem is not one of mere unemployment, but also underemployment, we have brought these two factors together in the amended bill by authorizing the Administrator to denominate and assist industrial redevelopment areas and rural redevelopment areas as well. Definitions of these areas are now more clearly spelled out and expanded.

Uses of the loans to be made upon recommendation of the local committees have been enlarged to include those things—land, buildings, and machinery—found to be necessary for the communities to do the job of relieving unemployment and underemployment.

Local financial participation is required.

Assistance to public facilities has been retained in the amended bill both by loans and grants. The loan funds have been set up on a revolving basis.

Additional safeguards have been included in the revised bill to prevent migration of industry or transfer of work by a borrower from one area to another which would have the effect of merely shifting unemployment from one section of the country to another.

Retraining subsistence payments have been authorized in place of extended unemployment compensation.

The problems of areas of chronic unemployment and underemployment are still very much present. Current labor statistics show little, if any, real change in employment in these areas from that existing 1 year ago. Efforts of these areas, unsuccessful in large part, to solve their own problems were graphically exhibited to the Senate Labor Subcommittee, and representatives from the areas vividly described the need for legislation of this type to bring a real solution to their problems. The recent layoffs in the auto and farm machinery manufacturing industries will substantially aggravate the problems, as many of the individuals affected had originally migrated into these more prosperous industrial areas and now must return to their homes in economically plagued areas.

Mr. Speaker, this bill is designed to help these needy areas pull themselves up by a little more than their own bootstraps. It is my hope, Mr. Speaker, despite the lateness of the session, that Congress will recognize the need and will find that this revised bill is a constructive way to help these areas and will take favorable action on this legislation.

The following is a digest of bill H. R. 11715:

1. PURPOSE

To provide assistance to communities, industries, enterprises, and individuals in areas needing redevelopment to enable them to expand and adjust their productive activity to alleviate excessive unemployment and underemployment within such areas by providing new employment opportunities and developing and expanding existing facilities and resources without reducing employment in other areas of the United States.

2. ORGANIZATION

1. Creates Area Redevelopment Administration with Administrator.

2. Creates Advisory Committees—meet twice a year—to assist Administrator.

(a) Government Advisory Committee consisting of heads of major Federal bureaus.

(b) National Public Advisory Committee consisting of heads of business, labor and agriculture.

3. DEPRESSED AREAS DEFINED

(a) Industrial redevelopment areas are defined as "those within the United States in which Administrator determines that there has existed excessive unemployment for an extended period of time."

Areas shall be so designated where unemployment is:

1. Not less than 12 percent for 12-month period.

2. Not less than 8 percent for 15 months of 18 month period.

3. Not less than 6 percent for 8 months in each of 2 years.

(b) Rural redevelopment areas are defined as "those rural areas within United States (not exceeding at any one time 15 counties in any State or 300 counties in United States) in which he determines that there exist the largest number and percentage of low income farm families, and a condition of substantial and prolonged underemployment."

4. LOCAL COMMITTEES

Once a redevelopment area is determined, local redevelopment committee is appointed by Administrator consisting of at least 7 residents of area. Local committee to represent: management, labor, commercial, industrial development, and agricultural groups. Submit plans for alleviating unemployment and underemployment.

Administrator may appoint Regional Committee on same basis as above within areas to represent two or more redevelopment areas.

Funds for local committees: Not more than $1,500,000 available to Administrator, to aid regional and local committees for administrative-expenses only salaries, and traveling expenses excluded.

5. LOANS

(a) May make loans to assist in financing (1) purchase or development of land for industrial usage; (2) construction, rehabilitation, or alteration of industrial plants or other manufacturing, commercial, or processing facilities; (3) purchase of machinery or equipment.

Need established by findings showing:

1. Construction of facility reasonably calculated to alleviate unemployment or underemployment.

2. Funds for construction not otherwise available on reasonable terms.

3. Amount of loan plus private funds available are adequate to insure completion.

4. Borrower will not transfer business operations to such plant so as to effect a reduction in employment in any other area within the United States.

5. Facility constructed will provide more than temporary alleviation of unemployment or underemployment.

(b) No loan shall be in excess of 75 percent of aggregate cost nor longer than 40 years.

(c) Administrator shall require not less than 10 percent or more than 25 percent of aggregate cost to be supplied by (1) States and subdivisions thereof; or (2) local interests. Federal lien has first status. Financial condition of area to determine amount of local contribution to cost.

(d) Loan shall be conditioned upon contract provision effective during life loan prohibiting borrower from transferring or relocating business operations to redevelopment area so as to cause unemployment elsewhere.

(e) "Borrower" includes successors in interest, lessees, subcontractors, or persons or firms under common control.

(f) One hundred million dollars authorized for making industrial redevelopment loans. Revolving fund created. Fifty million dollars appropriated for rural redevelopment loans (with limitation of $2,500,000 any one State). Revolving fund created.

6. ASSISTANCE TO PUBLIC FACILITIES

1. Loans for public facilities:

(a) Upon application of any State or political subdivision thereof, Indian tribe, private or public organization, Administrator is authorized to make loans to assist in financing purchase or development of land for public-facility usage, construction, rehabilitation, alteration, expansion, or improvement of public facilities in redevelopment areas.

Need established by findings of:

(1) Project provides more than temporary alleviation of unemployment and will tend to improve opportunities in areas for successful establishment or expansion of industrial or commercial plants or facilities.

(2) Funds requested are not otherwise available on reasonable terms.

(3) Amount of loan plus amount of funds from State or local or private sources are adequate to insure completion.

(b) No loan shall be in excess of 75 percent of aggregate costs, or for longer than 40 years.

(c) Administrator shall require not less than 10 percent or more than 25 percent of aggregate cost to be supplied by (1) State or political subdivision, or (2) a loan. Financial condition of areas to determine amount of local contribution to cost. Federal lien has first position.

(d) One hundred million dollars appropriated for public facility loans. Revolving fund created.

2. Grants for public facilities:

(a) Administrator shall conduct continuing studies of needs and probable costs in redevelopment areas for needed land acquisition for public facility usage and for construction, alterations, expansion, or improvement of useful public facilities. Receive proposals from States, Indian tribes, etc., showing costs and contributions to be made to proposal and Administrator may make grants where he finds:

(1) Proposal will provide more than temporary alleviation of unemployment or underemployment and proposal will tend to improve opportunities of area for establishment or expansion of industrial plants and facilities.

(2) Local groups contribute to cost of project proportionate to ability to contribute.

(3) Project will fill a pressing need of area and little probability project could otherwise be undertaken. Grant, with other funds available, will not exceed amount needed to insure completion.

(b) Administrator provides supervision to prevent waste of Federal funds.

(c) Appropriations authorized not to exceed $50 million annually for making grants.

7. FUNDS FOR INDUSTRIAL PLANTS AND PUBLIC FACILITIES

Administrator with approval of President issues notes and obligations not exceeding $250 million. Secretary of the Treasury may purchase and sell such notes.

8. ESTABLISHMENT OF REVOLVING FUNDS

Creates revolving funds for industrial and rural redevelopment loans and public facility loans. (See separate loan sections for amounts.)

9. PROCUREMENT BY GOVERNMENTAL AGENCIES

(a) Each Department of the Federal Government engaged in procurement of supplies shall—

1. Use best efforts to award negotiated procurements to contractors in redevelopment areas.

2. Where deemed appropriate set aside portions of procurements for negotiation with firms in redevelopment areas.

3. Provide bid matching procurements means.

4. Assure that firms in redevelopment areas are bidders on list and get notices.

5. In event of tie bids, all other things being equal, award contract to firm in redevelopment area.

6. Encourage prime contractors to award subcontracts to firms in redevelopment areas.

7. Cooperate with other departments and agencies of Federal Government to achieve objectives set forth.

(b) Administrator shall furnish all departments and agencies of Federal Government with list of areas designated as redevelopment areas and with list of services and supplies available in each of such areas.

10. INFORMATION

Administrator shall aid redevelopment areas by furnishing assistance, technical information, market research, advice, etc., obtainable from Federal Government agencies. Administrator shall also supply Federal procurement agencies with names and addresses of redevelopment area firms desirous of obtaining contracts from United States Government.

11. TECHNICAL ASSISTANCE

Administration authorized to provide technical assistance to redevelopment areas. Includes studies of need, potentials, etc., and may be provided by use of staff of Administrator or by contract with individuals or institutions locally.

12. POWERS OF ADMINISTRATION

1. Hold hearings, take testimony.

2. Request from Federal agencies, information, suggestions, statistics.

3. Sell, assign, rent, improve, etc., any properties or security for collecting loans and otherwise pursue to final collection all loans made under act.

13. VOCATIONAL TRAINING

(a) Secretary of Labor shall:

1. Provide suitable training for unemployed persons in such areas in need of training, retraining, or reemployment or vocational education.

2. Cooperate with existing retraining facilities of Federal and State Governments by contract on reimbursable basis or make contracts with private institutions.

14. RETRAINING SUBSISTENCE PAYMENTS

(a) Secretary of Labor shall:

1. Enter into agreements with States whereby the States as agent of the Federal Government make weekly retraining payments to unemployed individuals not entitled to unemployment compensation (exhaustions or not insured) certified by Secretary of Labor.

2. Make retraining payments to such individuals for not more than 13 weeks in amounts equal to average unemployment compensation payments payable in State making payments.

15. ANNUAL REPORT

Administrator shall make a comprehensive and detailed annual report to Congress.

16. APPROPRIATIONS

Authorized to be appropriated such sums as may be necessary to carry out provisions of the act.

Strike out all after the enacting clause and insert in lieu thereof the following:

"That this act may be cited as the 'Area Redevelopment Act.'

"FINDINGS OF FACT

"SEC. 2. The Congress hereby finds and declares that the maintenance of the national economy at a high level of prosperity and employment is vital to the best interests of the United States and that the present existence of excessive unemployment or underdevelopment in certain areas of the Nation is jeopardizing the health, standard of living, and general welfare of the Nation. It is therefore the purpose of this act to provide assistance to communities, industries, enterprises, and individuals in areas needing redevelopment to enable them to expand and adjust their productive activity to alleviate excessive unemployment or underemployment within such areas by providing new employment opportunities and developing and expanding existing facilities and resources without reducing employment in other areas of the United States.

"AREA REDEVELOPMENT ADMINISTRATION

"SEC. 3. In order to carry out the purposes of this act, there is hereby established, within the executive branch of the Government, an Area Redevelopment Administration. Such Administration shall be under the direction and control of an Administrator (hereinafter referred to as 'the Administrator') who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate of $ per annum.

"ADVISORY COMMITTEES

"SEC. 4. (a) There is hereby established a Government Advisory Committee on Area Redevelopment which shall be composed of the following members: The Administrator, as Chairman, the Secretary of the Interior, the Secretary of the Treasury, the Secretary of Defense, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Administrator of the Small Business Administration, the Administrator of General Services, the Administrator of the Housing and Home Finance Agency, and the Director of the Office of Defense Mobilization.

Such committee, or any duly established subcommittee thereof, shall from time to time make recommendations to the Administrator relative to the carrying out of his duties under this act, and the Administrator shall, in carrying out such duties, consult with such committee, or any duly established subcommittee thereof. Such committee shall hold meetings at the call of the chairman, and such meetings shall be held at least twice during each calendar year.

"(b) The Administrator shall appoint a National Public Advisory Committee on Area Redevelopment which shall consist of 12 members and which shall be composed of representatives of labor, management, agriculture, and the public in general. From the members appointed to such committee the Administrator shall designate a chairman. Such committee, or any duly established subcommittee thereof, shall from time to time make recommendations to the Administrator relative to the carrying out of his duties under this act. Such committee shall hold not less than two meetings during each calendar year.

"(c) The Administrator is authorized from time to time to call together and confer with representatives of the various parties in interest from any industry in which employment has dropped substantially over an extended period of years and which in consequence has been a primary source of high levels of unemployment in several areas designated by the Administrator as redevelopment areas. Conferences convened under authority of this subsection shall consider with and recommend to the Administrator plans and programs with special reference to any such industry to carry out the purposes of this act.

"REDEVELOPMENT AREAS

"SEC. 5. (a) The Administrator shall designate as 'industrial redevelopment areas' those industrial areas within the United States in which he determines that there has existed excessive unemployment for an extended period of time. Any such industrial area in which there has existed unemployment of not less than (1) 12 percent of the labor force for the 12-month period immediately preceding the date on which an application or recommendation for assistance is made under this act, (2) 8 percent of the labor force during at least 15 months of the 18-month period immediately preceding such date, or (3) 6 percent of the labor force during at least 8 months in each of the 2 years immediately preceding such date, shall be designated an 'industrial redevelopment area.'

"(b) In addition to those areas designated under subsection (a), the Administrator shall designate as 'rural redevelopment areas' those rural areas within the United States (not exceeding at any 1 time 15 counties in any 1 State or 300 counties in the United States) in which he determines that there exist the largest number and percentage of low-income farm families, and a condition of substantial and prolonged underemployment. In making the designations under this subsection, the Administrator shall consider among other relevant factors the number of low-income farm families in the various rural areas of the United States, the proportion that such low-income families are to the total farm families of each of such areas, the relationship of the income levels of the farm families in each such area to the general levels of income in the same area, the current and prospective employment opportunities in each such area, and the availability of farm manpower in each such area for supplemental employment.

"(c) In making the determinations provided for in this section, the Administrator shall be guided, but not conclusively governed, by pertinent studies made, and information and data collected or compiled, by (1) departments, agencies, and instrumentalities of the Federal Government, (2) State and local governments, (3) universities and land-grant colleges, and (4) private organizations.

"(d) Upon the request of the Administrator, the Secretary of Labor, the Secretary of Agriculture, and the Director of the Bureau of the Census are respectively authorized to conduct such special studies, obtain such information, and compile and furnish to the Administrator such data as the Administrator may deem necessary or proper to enable him to make the determinations provided for in this section.

"LOCAL AND REGIONAL COMMITTEES

"SEC. 6. (a) The Administrator, upon determining that any area is a redevelopment area, shall appoint a local redevelopment committee (hereinafter referred to as a 'local committee'), to be composed of not less than seven residents of such area who, as nearly as possible, are representative of labor, management, commercial, industrial development, and agricultural groups, and of the residents generally of such area. Each local committee shall prepare plans and cost estimates, to the extent deemed desirable by it, for (1) the development of the resources of, and processing and marketing facilities in, the area which such committee represents, (2) the construction, rehabilitation, and alteration of industrial plants or other industrial and commercial facilities in such area, and (3) the purchase of machinery or equipment for use in such area, with a view to attracting new industries thereto and otherwise to stimulate economic activity therein. Each local committee shall enlist the support of local residents and private and public lending agencies in financing the carrying out of such plans. The Administrator shall, at the request of any local committee, make available to such committee such professional, technical, and other experts as may be necessary to enable such local committee properly to discharge its functions under this act.

"(b) The Administrator may establish regional committees to represent two or more redevelopment areas when he finds that the establishment of such committees will facilitate the carrying out of the purposes of this act. The members of the regional committees shall be appointed by the Administrator on the same basis as are members of local committees, and such regional committees shall cooperate with, and, to the extent possible, coordinate the activities of, the local committees within the regions represented by such regional committees.

"(c) Of the sums appropriated to carry out the purposes of this act, not to exceed $1,500,000 shall be available to the Administrator for the purpose of assisting the local or regional committees established under this section to defray their administrative expenses, but no part thereof shall be available for the purpose of paying salaries or traveling expenses of the members of such committees.

"LOANS

"SEC. 7. (a) Upon the recommendation of any local committee, the Administrator is authorized to make loans to assist in financing the purchase or development of land for industrial usage within the redevelopment area represented by such committee, and the construction, rehabilitation, or alteration of industrial plants, or other manufacturing, commercial, or processing facilities, and the purchase of machinery or equipment for use, in such area, if he finds that—

"(1) the project for which financial assistance is sought is reasonably calculated to alleviate unemployment or underemployment within the redevelopment area wherein it is, or will be, located;

"(2) the funds requested for such project are not otherwise available on reasonable terms;

"(3) the amount of the loan plus the amount of private funds available for such project are adequate to insure the completion thereof;

"(4) the borrower will not cause a transferral to, or relocation in, any plant or facility, the construction, rehabilitation, or alteration of which is assisted under this section, of business operations otherwise conducted by such borrower so as to effect a reduction in employment in any other area within the United States; and

"(5) the construction, rehabilitation, or alteration, of any such plant or facility will provide more than a temporary alleviation of unemployment or underemployment.

"(b) No loan under this section shall be for an amount in excess of 75 percent of the aggregate cost of the project for which such loan is made. The maturity date of any such loan shall be not later than 40 years after the date such loan was made.

"(c) In making any loan under this section, the Administrator shall require that not less than 10 percent, or more than 25 percent, of the aggregate cost of the project for which such loan is made shall be supplied (1) by the State (including any agency, instrumentality, or political subdivision thereof) within which such project is to be located, or (2) by one or more community or area organizations, or persons, firms, or corporations within the redevlopment area in which such project is to be located, as equity capital, or as a loan repayable only after the financial assistance provided under this section has been repaid in full, and, if such loan is secured, its security shall be subordinate to the lien or liens securing the financial assistance provided under this section. In determining the amount of participation required under this subsection with respect to any particular project, the Administrator shall give consideration to the financial condition of the State or local government, and to the per capita income of the residence of the redevelopment area, within which such project is to be located.

"(d) In making any loan under this section with respect to the construction, rehabilitation, or alteration of any plan or facility, the Administrator shall include in the loan agreement a provision that during the life of the loan the borrower shall not cause a transferral to, or relocation in, such plant or facility of business operations otherwise conducted by such borrower so as to effect a reduction in employment in any other area within the United States. Such loan agreement shall further authorize the Administrator, in the event of a violation of the foregoing provision, to declare the unpaid balance of any such loan immediately due and payable, and, in default of payment, to proceed forthwith to enforce such loan agreement and the security thereon.

"(e) As used in this section, the term 'borrower' includes any successor in interest to the borrower, or any agent, lessee or operating subcontractor thereof, or any person, firm, or corporation which directly or indirectly controls, is controlled by, or is under common control with, the borrower by reason of voting stock interest, common officers, directors or stockholders, voting trusts, or by any other direct or indirect means.

"LOANS FOR PUBLIC FACILITIES

"SEC. 8. (a) Upon the application of any State, or political subdivision thereof, Indian tribe, or private or public organization or association representing any development area or part thereof, the Administrator is authorized to make loans to assist in financing the purchase or development of land for public facility usage, and the construction, rehabilitation, alteration, expansion, or im-

provement of public facilities within any redevelopment area, if he finds that—

"(1) the project for which financial assistance is sought will provide more than a temporary alleviation of unemployment or underemployment in the redevelopment area wherein such project is, or will be, located, and will tend to improve the opportunities in such area for the successful establishment or expansion of industrial or commercial plants or facilities;

"(2) the funds requested for such project are not otherwise available on reasonable terms; and

"(3) the amount of the loan plus the amount of public funds from State or local sources or private funds or both, available for such project are adequate to insure the completion thereof.

"(b) No loan under this section shall be for an amount in excess of 75 percent of the aggregate cost of the project for which such loan is made. The maturity date of any such loan shall be not later than 40 years after the date such loan is made.

"(c) In making any loan under this section, the Administrator shall require that not less than 10 percent, nor more than 25 percent, of the aggregate cost of the project for which such loan is made shall be supplied (1) by the State (including any political subdivision thereof) within which such project is to be located as equity capital, or as a loan repayable only after the financial assistance provided under this section has been repaid in full, and, if such loan is secured, its security shall be subordinate to the lien or liens securing the financial assistance provided under this section. In determining the amount of participation required under this subsection with respect to any particular project, the Administrator shall give consideration to the financial condition of the State or local government, and to the per capita income of the residents of the redevelopment area, within which such project is to be located.

"GRANTS FOR PUBLIC FACILITIES

"SEC. 9. (a) The Administrator shall conduct continuing studies of needs in the various redevelopment areas throughout the United States for, and the probable cost of, land acquisition or development for public facility usage, and the construction, rehabilitation, alteration, expansion, or improvement of useful public facilities within such areas, and may receive proposals from any State, or political subdivision thereof, Indian tribe, or private or public organization or association representing any redevelopment area, or part thereof, relating to land acquisition or development for public facility usage, and the construction, rehabilitation, alteration, expansion, or improvement of public facilities within any such area. Any such proposal shall contain plans showing the project proposed to be undertaken, the cost thereof, and the contributions proposed to be made to such cost by the entity making the proposal. The Administrator, in consultation with such entity, is authorized to modify all or any part of such proposal.

"(b) The Administrator, pursuant to a proposal received by him under this section, or on his own initiative, may make grants to any State, or political subdivision thereof, Indian tribe, or private or public organization or association representing any redevelopment area, or part thereof, for land acquisition or development for public facility usage, and the construction, rehabilitation, alteration, expansion, or improvement of public facilities within a redevelopment area, if he finds that—

"(1) the project for which financial assistance is sought will provide more than a temporary alleviation of unemployment or underemployment in the redevelopment area wherein such project is, or will be, located, and will tend to improve the opportunities in such area for the successful establishment or expansion of industrial or commercial plants or facilities;

"(2) the entity requesting the grant proposes to contribute to the cost of the project for which such grant is requested in proportion to its ability so to contribute; and

"(3) the project for which a grant is requested will fulfill a pressing need of the area, or part thereof, in which it is, or will be, located, and there is little probability that such project can be undertaken without the assistance of a grant under this section. The amount of any grant under this section for any such project shall not exceed the difference between the funds which can be practicably obtained from other sources (including a loan under section 8 of this act) for such project, and the amount which is necessary to insure the completion thereof.

"(c) The Administrator shall by regulations provide for the supervision of the carrying out of projects with respect to which grants are made under this section so as to insure that Federal funds are not wasted or dissipated.

"(d) There are hereby authorized to be appropriated not to exceed $50 million annually for the purpose of making grants under this section.

"FUNDS FOR LOANS

"SEC. 10. To obtain funds for loans under this act the Administrator may, with the approval of the President, issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed $250 million. Such notes or other obligations shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued under this section and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated in every respect as public debt transactions of the United States.

"ESTABLISHMENT OF REVOLVING FUNDS

"SEC. 11. Of the funds raised under section 10 of this act, not more than (1) $100 million shall be deposited in a revolving fund which shall be used for the purpose of making loans for projects within industrial redevelopment areas; (2) $50 million shall be deposited in a revolving fund which shall be used for the purpose of making loans for projects within rural redevelopment areas, but the principal amount of loans from such fund which are outstanding at any one time within any one State shall not exceed $2,500,000; and (3) $100 million shall be deposited in a revolving fund which shall be used for the purpose of making loans for public facilities. Receipts arising from the repayment of any such loans shall be deposited in the fund from which such loan was made and shall be utilized for the purpose for which such fund was established.

"PROCUREMENT BY GOVERNMENTAL AGENCIES

"SEC. 12. (a) Each department, agency, or other instrumentality of the Federal Government engaged in the procurement of any supplies or services for use by or on behalf of the United States shall—

"(1) use its best efforts to award negotiated procurement contracts to contractors located within redevelopment areas to the extent procurement objectives will permit;

"(2) where deemed appropriate, set aside portions of procurements for negotiations exclusively with firms located in redevelopment areas, if a substantial proportion of production on such negotiated contracts will be performed within redevelopment areas and if such firms will contract for such portions of the procurement at such prices;

"(3) where deemed appropriate and consistent with procurement objectives, after the expiration of the period during which bids for any procurement are permitted to be submitted and if the lowest of such bids was submitted by a firm in an area other than a redevelopment area, negotiate with firms in redevelopment areas with a view to ascertaining whether any such firm will furnish the services or supplies with respect to which bids were theretofore submitted for an amount equal to, or less than, the amount of the lowest bid theretofore submitted for the furnishing of such services or supplies, and if any such firm can be found, award the contract for the furnishing of such services or supplies to such firm;

"(4) assure that firms in redevelopment areas which are on appropriate bidders' lists will be given the opportunity to submit bids or proposals on all procurements for which they are qualified and on which small business joint-determinations have not been made, but whenever the number of firms on a bidders' list is exclusive, there shall be included a representative number of firms from redevelopment areas;

"(5) in the event of tie bids on offers on any procurement, award the contract to the firm located in a redevelopment area, other things being equal;

"(6) encourage prime contractors to award subcontracts to firms in redevelopment areas; and

"(7) cooperate with other departments, agencies, and instrumentalities of the Federal Government in achieving the objectives set out in this subsection.

"(b) The Administrator shall furnish all departments, agencies, and instrumentalities of the Federal Government with a list of areas which he has designated as redevelopment areas under this act, together with a list of the services and supplies which are most abundantly available in each of such areas.

"INFORMATION

"SEC. 13. The Administrator shall aid depressed areas by furnishing to interested individuals, communities, industries, and enterprises within such areas any assistance, technical information, market research, or other forms of assistance, information, or advice which are obtainable from the various departments, agencies, and instrumentalities of the Federal Government and which would be useful in alleviating conditions of excessive unemployment or underemployment within such areas. The Administrator shall furnish the procurement divisions of the various departments, agencies, and other instrumentalities of the Federal Government with a list containing the names and addresses of business firms which are located in redevelopment areas and which are desirous of obtaining Government contracts for the

furnishing of supplies or services, and designating the supplies and services such firms are engaged in providing.

"TECHNICAL ASSISTANCE

"SEC. 14. In carrying out his duties under this act, the Administrator is authorized to provide technical assistance to areas which he has designated as redevelopment areas under this act. Such assistance shall include studies evaluating the needs of, and developing potentialities for, economic growth of such areas. Such assistance may be provided by the Administrator through members of his staff or through the employment of private individuals or institutions under contracts entered into for such purpose.

"POWERS OF ADMINISTRATOR

"SEC. 15. In performing his duties under this act, the Administrator is authorized to—

"(1) hold such hearings, sit and act at such times and places, and take such testimony, as he may deem advisable;

"(2) request directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics needed to carry out the purposes of this act; and each department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized to furnish such information, suggestions, estimates, and statistics directly to the Administrator;

"(3) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as he shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans made under this act, and collect or compromise all obligations assigned to him in connection with the payment of such loans until such time as such obligation may be referred to the Attorney General for suit or collection;

"(4) deal with, complete, renovate, improve, modernize, insure, rent, or sell for cash or credit, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any real or personal property conveyed to, or otherwise acquired by, him in connection with the payment of loans made under this act;

"(5) pursue to final collection, by way of compromise or other administrative action, prior to reference to the Attorney General, all claims against third parties assigned to him in connection with loans made under this act, and the power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein acquired by the Administrator pursuant to the provisions of this act may be exercised by the Administrator or by any officer or agent appointed by him for that purpose;

"(6) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions, including the procurement of the services of attorneys by contract, determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise administratively dealing with or realizing on loans made under this act; and

"(7) establish such rules, regulations, and procedures as he may deem appropriate in carrying out the provisions of this act.

"'VOCATIONAL TRAINING

"SEC. 16. (a) The Secretary of Labor shall—

"(1) prescribe and provide suitable training for unemployed individuals residing in redevelopment areas who are in need of training, retraining, or reemployment or vocational education;

"(2) enter into agreements with other departments, agencies, and instrumentalities of the Federal Government, and with agencies maintained by joint Federal and State contributions whereby the existing facilities of such departments, agencies, and instrumentalities may be utilized, on a reimbursable basis, in carrying out the purposes of this section; and

"(3) by agreement or contract with public or private institutions or establishments, provide for such additional training facilities as may be necessary to accomplish the purposes of this section.

"(b) The Secretary of Labor shall cooperate with existing Federal, State, and local agencies and officials in charge of existing programs relating to training, retraining, and reemployment and vocational education for the purpose of coordinating his activities with those of such agencies and officials.

"RETRAINING SUBSISTENCE PAYMENTS

"SEC. 17. The Secretary of Labor shall, on behalf of the United States, enter into agreements with States in which redevelopment areas are located under which the Secretary shall make payments to such States for the purpose of enabling such States, as agents of the United States, to make weekly retraining payments to unemployed individuals residing within such redevelopment areas who are not entitled to unemployment compensation (either because their unemployment compensation benefits have been exhausted or because they were not insured for such compensation) and who have been certified by the Secretary of Labor to be undergoing training for a new job. Such payments shall be made for a period not exceeding 13 weeks, and the amounts of such payments shall be equal to the amount of the average weekly unemployment compensation payment payable in the State making such payments.

"ANNUAL REPORT

"SEC. 18. The Administrator shall make a comprehensive and detailed annual report to the Congress of his operations under this act for each fiscal year beginning with the fiscal year ending June 30, 1957. Such report shall be printed, and shall be transmitted to the Congress not later than January 3 of the year following the fiscal year with respect to which such report is made. Such report shall show, among other things, the number and size of Government contracts for the furnishing of supplies and services placed with business firms located in redevelopment areas, and the amount and duration of employment resulting therefrom.

"APPROPRIATION

"SEC. 19. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act."

INCREASE IN SALARIES OF FEDERAL EMPLOYEES

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, on Thursday, June 14, I introduced a bill (H. R. 11790) to increase the salaries of those Federal employees who are paid in accordance with the Classification Act of 1949, as amended. I believe that there is ample justification for such a measure at this time.

There are two chief reasons for proposing an increase in these salaries. First, each previous increase was delayed after the real need for it had developed; and, secondly, the pay of employees in all grades has not advanced at the rate or in the proportion to which salaries and wages have gone ahead outside the Government service.

The adverse economic situation in which employees under the Classification Act find themselves may be summarized as follows:

First. The gross average weekly earnings of production workers in manufacturing industries increased from $23.86 in 1939 to $78.39 in April 1956. This was an increase of 228.5 percent. This was double the rate of increase for grade GS–1. In the same period, the Consumer Price Index rose 94.7 percent from August 1939 to April 1956. Thus the advance in gross average weekly earnings for factory workers was 69 percent greater than the increase in consumer prices.

If Classification Act salaries on a weekly basis in the first three grades had been raised in the same proportion as the earnings of factory workers, the situation would have been as follows:

Grade	Actual rate		Proportionate to increase in factory earnings
	1939	1956	
GS–1	$24.23	$51.73	$79.61
GS–2	27.69	56.92	90.98
GS–3	31.15	61.06	102.35

It may be objected to that so-called white-collar and blue-collar pay rates are not comparable, but that is a fallacy to which only those who attempt to justify low pay rates will subscribe. Of course, they differ to the extent their jobs differ, but the economic bases for wage-rate determinations are no different than those for fixing salaries.

The one significant difference between the two groups is the lack of unionization in the white-collar group. This is why the earnings of the factory worker have increased at a more rapid rate and more substantially than those of the white-collar group. About 15 million workers are employed in clerical, professional, and technical positions, excluding the managerial category. It is reliably estimated that 2,750,000 are union members, or about 18 percent of the estimated white-collar potential. In contrast is the degree of unionization among production workers—the blue-collar group. Well over 50 percent of the union potential in the blue-collar category have been organized.

Second. This disparity between the increase in earnings of the factory worker and the officeworker is further pointed up by these figures of the Bureau of Labor Statistics showing the percentage increase in the median wage or salary income of experienced male em-

ployees in the following occupational groups:

Major occupation group:	Percent increase, 1939–54
Professional, technical	171.1
Clerical and kindred workers	162.8
Sales workers	199.4
Craftsmen, foreman, and kindred workers	224.4
Service workers, except private household	238.3
Laborers, except mine	250.4

Third. Another measurement of the trend of clerical and professional earnings is the index of weekly earnings for this group prepared monthly by the Federal Reserve Bank of New York. This index indicates that clerical and professional earnings increased 150.9 percent from August 1939 to February 1956. In 1953 BLS calculated the increase in average salaries of classification act salaries, general schedule, to have been 92.2 percent. Last year's raise would bring this figure up to 106.6 percent. On the basis of the Federal Reserve index, the increase in the earnings of all clerical and professional employees was 21 percent above that for Federal white-collar workers. This shows that Federal employees lagged behind even the relatively poor position which white-collar workers in the entire labor force had attained during and since World War II.

Fourth. The economic disadvantage of employees in the upper grades of the general schedule of the classification act is confirmed both by the Federal Reserve index and a comparison provided by the BLS, both of which have already been analyzed. This disadvantage is further confirmed by the Consumer Price Index. These employees have lagged behind advancing prices ever since classification act pay schedules received their first revision 11 years ago. This disparity has from time to time been emphasized until at present it has reached a point which will make it doubly difficult to hold in the Federal Civil Service persons whom it can ill-afford to lose.

This is indicated in a comparison of existing salaries with those which are needed to preserve the economic position of these employees in 1939. The comparison follows:

Grade	Current salary	Salary needed to maintain 1939 buying power
GS–5	$3,670	$3,895
GS–7	4,525	5,063
GS–9	5,440	6,232
GS–11	6,390	7,400
GS–13	8,990	10,906
GS–15	11,610	15,580

The marked disparity between current salaries and the amount of pay needed to main their former economic position is apparent. It has come about by the fact that each time salaries were raised the amount fell short of the sum needed to retrieve lost purchasing power. Thus there has been a cumulative loss which has never been restored even to an appreciable extent in the upper grades.

I think one of the most significant aspects of the bill is that it takes into consideraiton the numerous across-the-board increases that have been passed by Congress. You will note that the bill proposes proportionately smaller increases in the lower brackets. The purpose of this is to bring about proper adjustments in the salary levels so that they will be more in line with the responsibilities of the respective grades.

The following schedule shows the effects of the bill:

Proposed Classification Act salary rates based on a graduated percentage formula [1]

Grade	Present entrance salary rate	Amount of increase	New entrance salary rate	Percent of increase
1	$2,690	$195.75	$2,885.75	7.3
2	2,960	243.00	3,203.00	8.2
3	3,175	280.63	3,455.63	8.8
4	3,415	322.63	3,737.63	9.4
5	3,670	367.25	4,037.25	10.0
6	4,080	439.00	4,519.00	10.8
7	4,525	516.88	5,041.88	11.4
8	4,970	594.75	5,564.75	12.0
9	5,440	677.00	6,117.00	12.4
10	5,915	760.13	6,675.13	12.9
11	6,390	843.25	7,233.25	13.2
12	7,570	1,049.75	8,619.75	13.9
13	8,990	1,298.25	10,288.25	14.4
14	10,320	1,590.20	11,910.20	15.4
15	11,610	2,054.60	13,664.60	17.7
16	12,900	2,519.00	15,419.00	19.5
17	13,975	2,906.00	16,881.00	20.8
18	14,800	3,203.00	18,003.00	21.6

[1] 6½ percent of that part of existing salary which is not in excess of $2,500, plus 17½ percent of that part which is in excess of $2,500 but not in excess of $10,000 plus 36 percent of that part which is in excess of $10,000.

Source: Based on salary rates in Public Law 94, 84th Cong.

On the basis of this evidence, the rates provided in H. R. 11790 are well within reason and quite realistic.

AMENDING CONSTITUTIONAL PROVISION ON TREATYMAKING POWER

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin.

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I have introduced House Joint Resolution 648, proposing an amendment to the Constitution to provide that a majority of the Members of the House of Representatives and of the Senate must concur in the making of a treaty by the President.

This is a simple amendment and should have the prompt action of the House before the present session adjourns.

Treaties, Mr. Speaker, should be ratified by a plain majority of both the House and Senate instead of by a two-thirds majority of the Senate alone. Why should there be a different rule of procedure in the matter of treaty ratification than applies to every other piece of Federal legislation? As I see it, the exception that exists today is illogical.

For what good reason should it require a majority of the House plus a mere majority of the Senate to make war? But two-thirds of the Senate alone to make peace? On what ground should the House be deprived of a voice in the treatymaking process? This body is called upon to implement treaties in the adoption of which it has had no voice. It votes funds needed to put a treaty into operation. It initiates any taxation which this involves. It participates in the passage of any internal legislation required to make a treaty effective.

Mr. Speaker, the requirements of constitutional consistency are certainly no different from the requirements of sound democratic procedures. Are we not the body that most directly represents the people? Are we not much more responsive to public opinion by virtue of the fact that the entire membership must be elected every 2 years? Should we not have an equal say in the vital question of foreign relations, than a body more remote from the popular will, as measured by either a time or a population standard?

I submit, Mr. Speaker, that the present practice of treaty ratification places excessive power in the hands of a minority in the other body.

Many Presidents have deplored the existing constitutional provision. At one time John Hay, when Secretary of State, referred to the present constitutional provision as an "irreparable mistake." He said that under the Constitution as now written this "puts it into the power of one-third plus one of the Senate to meet with a categorical veto any treaty negotiated by the President, even though it may have the approval of nine-tenths of the people of the Nation."

It is important to remember this fact as we consider the overall question of treaty ratification under the Constitution.

In the Constitutional Convention, history records there were many who thought the two-thirds provision wholly objectionable. Wilson, of Pennsylvania, pointed out that it would place it "in the power of a minority to control the will of a majority." And he urged that a simple majority be required and that the House of Representatives also join in the power of approval, because as treaties are to have the operation of laws, they ought to have the sanction of laws also. This was wise counsel.

Why then was the present provision adopted? Chiefly it seems to me because the framers of the Constitution had an idea that the other body would be small and it would act as a consulting body. Some members of the Constitutional Convention contended that only the other body could safely be trusted with the power of approval because of the necessity for preserving secrecy in the consideration of treaties.

I believe, Mr. Speaker, that the arguments which finally prevailed in the Constitutional Convention are not valid today. Ninety-six Members of the other body cannot and do not act as a special council. The ratification of treaties are arrived at openly and under the glare of public debate.

Mr. Speaker, I submit that the House of Representatives should respond to this suggestion and approve House Joint Resolution 648 overwhelmingly. It would

give this body a participating voice in foreign policy of which it has been unjustly, unwisely, and inconsistently deprived. Certainly it should meet with presidential approval because Presidents for years have been concerned about the veto power of treaties possessed by one-third plus one of the other body.

There is another reason and that is that the President in any case always needs the positive help of the House in carrying out his foreign policy. Presently this body is deprived of its rightful place in the ratification of treaties, yet it participates in all phases of internal legislation that supports a treaty or that may be required by a treaty.

Mr. Speaker, I trust that there may be prompt action by the House on my resolution.

Mr. Speaker, I include at this point a copy of my amendment, which follows:

House Joint Resolution 648

Joint resolution proposing an amendment to the Constitution to provide that a majority of the Members of the House of Representatives and of the Senate must concur in the making of any treaty by the President

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. The President shall have power, by and with the advice and consent of Congress, to make treaties, provided that a majority of the Members of the House of Representatives present, and a majority of the Senators present, concur in such treaty.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress."

THE VETERAN AND HIS FUTURE

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 20 minutes.

Mr. SIKES. Mr. Speaker, I take great satisfaction in what I am about to say. For I am speaking of an important group which now enjoys the accusation of being a pressure group.

Personally, I have absolutely no objection to bankers being for bankers, or manufacturers for manufacturers, or Frenchmen for Frenchmen.

But I am a little bothered when persons seeking their betterment in a period of neglect are called a pressure group.

I am bothered when veterans and disabled veterans especially, are given the heave-ho because legislation that affects their very self-respect, their living, their day-to-day existence, excites their own interest and their own quite normal reaction.

It seems that the way for veterans not to be a pressure group is to forget their role in society and the service they gave to our country.

If they must have some civic interest, some participatory feeling in the Government for whose survival they gave a part of their body or mind, or proved themselves willing to give life itself, then they are asked to forget their status as servicemen and as veterans.

It is because of things like this that I am a little tired of hearing the Disabled American Veterans and other veterans' groups called by names that are intended to impugn their motives. I am tired of hearing veterans' organizations called promoters of privileged legislation.

I want the needs of veterans considered on the basis of merit under a concept of government that seeks to "form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessing of liberty to ourselves and our posterity."

For me, the disabled veteran is not to be treated like some nondescript mendicant once removed from the poorhouse.

For me, the veteran has earned, at the very least, the Nation's respect, its consideration, in some instances a tangible type of gratitude which should be expressed not merely in language, but in material terms tailored to the Nation's capacity and the needs and requirements of the cases in point.

Veterans' legislation is being confronted by an increasing wall of opposition.

If you examine this opposition you find that some of it is objective, some of it is philosophically prejudiced, and much of it is downright hostile.

The luster of heroism has worn off.

We are more than a decade removed from World War II. World War I is cataloged in the memory of some with the French and Indian Wars and, I suppose, the War of the Roses. Some, no doubt, already are asking: World War I? When was that?

If there are those who cannot remember the war, then how are they to be expected to remember its heroes, the rank and file who did the bloody, dirty work of battle?

All the blood, the anguish, the suffering of Korea seem now to have been allocated a small space somewhere in the history of foreign policy. To some it still is a police action.

We are in that phase of remembrance where—

The tumult and the shouting dies;
The Captains and the Kings depart;
Still stands Thine ancient sacrifice,
An humble and a contrite heart

The essence of this new wall of opposition gets its fullest and its most potent expression in the more or less recently released Report of the President's Commission on Veterans' Pensions.

It may be that some of its findings have merit but I have thus far been unable to find many that do. I find myself hostile to its hostility even if—here and there—a sound policy could be assumed to be enunciated. The report is called, Findings and Recommendations—Veterans' Benefits in the United States and is directed to the President by the President's Commission on Veterans' Pensions. A 25-page summary of the 415-page report begins like a slap in the veteran's face.

It puts its whole case in one sentence this way:

Military service in time of war or peace—

I am quoting—

should be treated as discharging an obligation of citizenship and not of itself as a basis for future Government benefits.

With the first hammer blow the veteran is put on the defensive.

The cruel presumption of so hostile an approach seems to be that he joined the military service whether in war or in peace, in order to get future Government benefits.

I do not recall anybody handing out copies of the prospective GI bill of rights at the recruiting station—or promising pensions. I can remember the line: "There's a war on, brother—and you're in it."

The report recommends that—

Special veterans' benefits should be provided only for the significant requirements of veterans that arise directly out of their military service.

It goes on to say that—

The ordinary or non-service-connected needs which veterans have in common with all citizens should be met wherever possible through the general welfare programs under which veterans are covered along with other people. Veterans' non-service-connected benefits should be minimized and gradually eliminated.

Now there you have the basic philosophy of the President's Commission on Veterans' Pensions.

The key words here are: "minimized" and "gradually eliminated."

The plan is to shunt as many veterans as possible into the mass assembly yard they now call social security.

That means a veteran gets no recognition as a veteran.

Of course, I favor social security and have all of my political life.

It is my position, however, that social security and veterans' pensions are two wholly disparate, dissimilar, and basically unrelated areas of legislation.

Joining them together is legislatively unrealistic and conducive to a confusion of meanings.

To put veterans' pensions within the category of social security is to ignore the significance of the word "veteran."

The sponsors of this idea would herd the veteran with a nameless mass.

The purpose of the proposed recommendations is to deprive him of his veteran status in the context of future legislation and in any event to reduce and to gradually eliminate whatever now exists.

Let me put in here that I have the highest respect for the Chairman of the Commission—Omar N. Bradley—as a soldier and indeed, for its members. I do find it difficult to call this report a document on veterans' benefits. I find it rather a document against veterans' benefits.

Notwithstanding my opposition to the general tone of the report, I shall study it carefully for any desirable legislation that may be predicated on some of its findings. For example, I not only refuse

to quarrel with one of the Commission's recommendations, but even wholeheartedly endorse it. That is the recommendation which reads:

Service-connected benefits should be accorded the highest priority among the special programs for veterans. Service-connected compensation and related benefits should be liberal, even generous.

Of course, to have said anything less than that about service-connected disabilities would have wrecked the report in toto. Nevertheless, I am grateful that the President's Commission saw fit to make its statement so vigorous and so pronounced and so unequivocal. Nor can I find ground to quarrel with the recommendations, for instance that—

The Government in general, and especially the Veterans' Administration, should develop and maintain a rounded research program so that basic comparative information on the economic and social conditions of veterans and non-veterans will always be available to the President, and to the Congress, and to the public.

Of course, decisions should be predicated upon information, upon knowledge and upon facts.

But may I add that decisions should also be based upon something deeply significant in the appraisal of the veteran's situation. That deeply significant factor may be compressed in the simple but meaningful phrase: Moral obligation.

If we lose sight of that principle, we set in motion a chain of conduct, legislative and executive and possibly judicial, which may very well undermine the heart of democratic government. The veteran is someone who has done a very special service and in proportion to the quality and the sacrifice of that service he should be recognized. To fail to so recognize him is to renege on a moral obligation. Moreover, maybe they know, but I am sure I do not know, just what is the narrow sense in which the term "service connected" is used. There are disabilities due to war service which may not show up for a decade or even more, and even when they do show up there may be no conclusive, no positive, no absolute evidence for attributing them to war. Yet in ever so many instances these disabilities are indeed due to war service and that fact may very well be safely inferred. A whole range of nervous ailments have their roots in the turmoil and the distress of combat and even noncombat service under the strain of overall violence. Men may live with these ailments for a lifetime and remain permanently handicapped under them. Yet they will not manifest any obvious signs of disorder calling for such drastic attention as would bring the cases within the purview of the Veterans' Administration. What I say is not critical of the Veterans' Administration.

Moral obligation is a precious phrase.

And moral obligation, I like to think, invests much of the pending current veterans' legislation in the Congress.

There is, for example, the bill—it has passed the House—that calls for the simplification and codification into a single act of all laws governing payment of compensation for service-connected disability or death. Another bill that also passed the House revises and simplifies laws providing for benefit payments to survivors of servicemen and veterans. Still another bill provides for medical care of dependents of members of the Armed Forces. These bills have not yet become law. They are pending in the Senate. But there is Public Law 490 which increases the pay of 6-month trainees under the Reserve Act from $50 to $78 per month. Another bill not yet law extends to June 30, 1956, free postal privileges for members of the Armed Forces in specified areas abroad. The Congress passed Public Law 497 which increases the pay of medical and dental officers in the armed services and the Public Health Service. The House passed—and action is pending in the Senate—on a bill providing educational assistance to children of certain veterans who died in World War II or Korea. Still another bill in the early stages of passage redefines the eligibility requirement of widows for pension or compensation. The object is to make the eligibility uniform for widows of veterans of World War I and II and Korea. The House has under consideration a bill that would increase by $600 the income limitations applicable to the widow or child of a deceased veteran for pension purposes during the year in which death occurs. There is also pending the bill which permits pension payments to veterans hospitalized with tuberculosis less than 6 months.

The legislation I have discussed covers only the second session of the 84th Congress. But as you can see moral obligation is not a precept lost on the Congress of the United States. And I am certain that any proposed recommendations that aim to blind the Congress or the country to its sense of moral obligation are destined for failure.

Veterans have a fight on their hands and they are not given to retreat. They are fighting for the right to place the veteran status of veterans in its true focus. They are fighting to check the antagonists of veterans' programs who seek to win their aims by first placing the veterans of the United States in an unfavorable light in public opinion. We must not let them be humbled, belittled, offended, or put in the position of being ashamed to ask for the respect and the recognition due America's veterans. They are the men and women who have taken years out of their lives, lost possible promotion in private life, profits and income, men and women who have sacrificed a part of their health and well-being for the survival of this country and the free world. It is up to veterans to fight back—and hard—at the concept that would paint the war veterans as a mendicant group standing, hat in hand, outside the halls of Congress begging for a handout.

Let us take heart in the fact there is strength in numbers and greater strength in the justice and rightness of the cause of veterans. It is true that veterans' expenditures are now at the rate of $4.5 billion a year. But I have been talking about putting the veteran situation in focus. And I find that the President has been asking for $4.9 billion in foreign aid. Now, one may be for or against foreign aid. But regardless of one's stand on that issue, I incline to the view that whether there is rice in Burma, however important this may be, is secondary to my consideration, as a Congressman for the status of the veteran. It is the veteran who made it possible for us to consider Burma and Afghanistan, and Ceylon, and Pakistan in our foreign-aid program or to have any foreign-aid program at all.

My faith rests deep in the United States and this Nation, I am confident, will not let its veterans down.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SAYLOR (at the request of Mr. GAVIN), for 2 days, on account of illness.

EXTENSIONS OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. TUMULTY and to include extraneous matter.

Mr. MACHROWICZ and to include extraneous matter.

Mr. FASCELL and to include extraneous matter.

Mr. JACKSON (at the request of Mr. SMITH of Wisconsin) and to include extraneous matter.

Mr. CUNNINGHAM and to include an address by the Honorable FRED SCHWENGEL, of Iowa, on Flag Day.

Mr. WESTLAND and to include an editorial.

Mr. MILLER of Nebraska.

Mr. KEOGH and include extraneous matter.

Mr. ADDONIZIO.

Mr. POWELL (at the request of Mr. ROOSEVELT) and include extraneous matter.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2572. An act to authorize the interchange of lands between the Department of Agriculture and military departments of the Department of Defense, and for other purposes; to the Committee on Agriculture.

S. 3363. An act for the relief of Miroslav Slovak; to the Committee on Interstate and Foreign Commerce.

S. 3365. An act to amend section 410 of the Interstate Commerce Act, as amended, to change the requirements for obtaining a freight-forwarder permit; to the Committee on Interstate and Foreign Commerce.

S. 3879. An act to supplement the antitrust laws of the United States in order to balance the power now heavily weighted in favor of automobile manufacturers by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover compensatory damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2106. An act to provide that the enlistment contracts or periods of obligated service of members of the Armed Forces shall not terminate by reason of appointment as cadets or midshipmen at the Military, Naval, Air Force, or Coast Guard Academies, or as midshipmen in the Naval Reserve, and for other purposes;

H. R. 5382. An act for the relief of W. R. Zanes & Company of Louisiana, Inc.;

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended;

H. J. Res. 533. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 534. Joint resolution to waive certain provisions of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 535. Joint resolution for the relief of certain aliens;

H. J. Res. 553. Joint resolution waiving certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, and for other purposes;

H. J. Res. 554. Joint resolution for the relief of certain aliens;

H. J. Res. 555. Joint resolution to facilitate the admission in the United States of certain aliens;

H. J. Res. 566. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; and

H. J. Res. 591. Joint resolution to facilitate the admission into the United States of certain aliens.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 417. An act for the relief of Pearl O. Seilaz;

S. 530. An act for the relief of the Sacred Heart Hospital;

S. 1146. An act to further amend section 20 of the Trading With the Enemy Act, relating to fees of agents, attorneys, and representatives;

S. 1414. An act for the relief of James Edward Robinson;

S. 1749. An act adopting and authorizing the improvement of Rockland Harbor, Maine;

S. 2016. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Lawrence F. Kramer;

S. 2152. An act for the relief of the estate of Susie Lee Spencer;

S. 2202. An act to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the valley division, Yuma reclamation project, Arizona, and for other purposes;

S. 2582. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended;

S. 3265. An act to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States;

S. 3472. An act for the relief of Patricia A. Pembroke;

S. 3581. On act to increase the retired pay of certain members of the former Lighthouse Service;

S. 3778. An act to amend the act for the protection of walruses;

S. 3857. An act to clarify section 1103 (d) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended; and

S. 3945. An act for the relief of Walter C. Jordan and Elton W. Johnson.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 1410. An act for the relief of Giovanna Scano;

H. R. 2709. An act for the relief of the estate of Rene Weil;

H. R. 3373. An act for the relief of Mrs. Zella K. Thissell;

H. R. 5382. An act for the relief of W. R. Zanes and Company of Louisiana, Inc.;

H. R. 5453. An act for the relief of the estate of Robert Bradford Bickerstaff;

H. R. 6143. An act to amend the Internal Revenue Codes of 1939 and 1954, and for other purposes;

H. R. 6742. An act for the relief of Rumiko Fujiki Kirkpatrick;

H. R. 6955. An act for the relief of Inna Hekker Grade;

H. R. 7373. An act for the relief of Eugene G. Aretz;

H. R. 8041. An act for the relief of Clyde R. Stevens;

H. R. 8867. An act for the relief of the estate of F. M. Bryson;

H. R. 9285. An act to amend section 14 (b) of the Federal Reserve Act, so as to extend for 2 additional years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury;

H. R. 11205. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan and others arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak.;

H. J. Res. 591. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 609. Joint resolution for the relief of certain aliens.

ADJOURNMENT

Mr. ROOSEVELT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Thursday, June 21, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1986. A letter from the Assistant Secretary of the Interior, transmitting a report and findings on the McMillan Delta project, Pecos River Basin, N. Mex., pursuant to the provisions of section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 429); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

1987. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with the Hot Springs National Park Physical Medicine Center, Inc., which when executed by the Director of the National Park Service, will authorize the concessioner to operate the physical medicine center and to obtain hot waters therefor, in Hot Springs National Park, Ark., for a period of 20 years from January 1, 1953, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1988. A letter from the Chairman, Commission on Government Security, relative to presenting a draft of proposed legislation which requests the Congress to extend the time for filing the final report of the Commission from December 31, 1956, as presently fixed by Public Law 304, 84th Congress, to June 30, 1957; to the Committee on the Judiciary.

1989. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case of Jacob Passic, A-4371303, involving suspension of deportation, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1990. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case of Urania Antippas, A-6334252, (0300-173918), involving suspension of deportation, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1991. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1992. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1993. A letter from the Assistant Secretary of the Navy (Material), transmitting a draft of proposed legislation entitled "a bill to authorize the Secretary of the Navy to surrender and convey to the city of New York certain rights of access in and to Marshall, John, and Little Streets adjacent to the New York Naval Shipyard, Brooklyn, N. Y., and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2397. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. WILLIAMS of Mississippi: Committee on Interstate and Foreign Commerce. H. R.

8000. A bill to amend section 610 of the Civil Aeronautics Act of 1938 to prohibit the serving of alcoholic beverages to airline passengers while in flight; with amendment (Rept. No. 2399). Referred to the House Calendar.

Mr. KILDAY: Committee on Armed Services. H. R. 10683. A bill to amend the Dependents Assistance Act of 1950, as amended, so as to provide punishment for fraudulent acceptance of benefits thereunder; without amendment (Rept. No. 2400). Referred to the House Calendar.

Mr. KILDAY: Committee on Armed Services. S. 3307. An act to amend section 9 (d) of the Universal Military Training and Service Act to authorize jurisdiction in the Federal courts in certain reemployment cases; wihout amendment (Rept. No. 2401). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 4296. A bill to provide that certain professors at West Point shall not be deprived of certain retirement benefits; without amendment (Rept. No. 2402). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 6729. A bill to provide that the Secretary of the Navy shall appoint certain former members of the Navy and Marine Corps to the Fleet Reserve or Fleet Marine Corps Reserve, as may be appropriate, and thereafter transfer such members to the appropriate retired list; with amendment (Rept. No. 2403). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 9246. A bill to amend the Armed Forces Leave Act of 1946 by authorizing payments to survivors of former members for unused leave credit; with amendment (Rept. No. 2404). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 9892. A bill to amend the provisions of the Revised Statutes relating to physical examinations preliminary to promotion of officers of the naval service; with amendment (Rept. No. 2405). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNICK: Committee on Public Works. S. 2210. An act to modify the project for the St. Marys River, Mich., South Canal, in order to repeal the authorization for the alteration of the International Bridge as part of such project, and to authorize the Secretary of the Army to accomplish such alteration; without amendment (Rept. No. 2406). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 11740. A bill to provide for a temporary increase in the public debt limit; without amendment (Rept. No. 2407). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Twentieth intermediate report on the Al Sarena case. (Rept. No. 2408). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 10720. A bill for the relief of Dorothy E. Green and Thelma L. Alley; without amendment (Rept. No. 2398). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:

H. R. 11860. A bill to alleviate conditions of excessive unemployment and underemployment in depressed industrial and rural areas; to the Committee on Banking and Currency.

By Mr. AUCHINCLOSS:

H. R. 11861. A bill to amend the act entitled "An act authorizing Federal participation in the cost of protecting the shores of publicly owned property," approved August 13, 1946; to the Committee on Public Works.

By Mr. BROYHILL:

H. R. 11862. A bill relating to the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, and the White House Police force, and the relief payable to their widows, children, and orphans; to the Committee on the District of Columbia.

By Mr. FASCELL:

H. R. 11863. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to State welfare agencies and nonprofit welfare institutions; to the Committee on Government Operations.

H. R. 11864. A bill relating to the computation of the retirement income credit in the case of joint income-tax returns; to the Committee on Ways and Means.

By Mr. HAYWORTH:

H. R. 11865. A bill to amend the Employment Act of 1946 to provide for studies of the social and economic effects of automation; to the Committee on Government Operations.

By Mr. HERLONG:

H. R. 11866. A bill relating to the reporting for income-tax purposes of dues and fees received by nonprofit service corporations; to the Committee on Ways and Means.

By Mr. HOLMES:

H. R. 11867. A bill to facilitate the administration and development of the Whitman National Monument, in the State of Washington, by authorizing the acquisition of additional land for the monument, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JONAS:

H. R. 11868. A bill to exempt certain vehicles used for religious purposes from Federal excise tax; to the Committee on Ways and Means.

By Mr. KING of California:

H. R. 11869. A bill to provide that any United States passport hereafter issued to a citizen shall not show his place of birth or contain any other information which would indicate whether he is a citizen by birth or by naturalization; to the Committee on Foreign Affairs.

By Mr. McCARTHY:

H. R. 11870. A bill to amend paragraphs 1773 and 1774 of the Tariff Act of 1930 to permit free importation of certain religious articles by additional organizations; to the Committee on Ways and Means.

By Mr. MURRAY of Tennessee (by request):

H. R. 11871. A bill to provide a uniform premium pay system for Federal employees engaged in inspectional services, to authorize a uniform system of fees and charges for such services, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SIMPSON of Pennsylvania:

H. R. 11872. A bill to amend section 270 (b) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. THOMPSON of Texas:

H. R. 11873. A bill to amend the Watershed Protection and Flood Prevention Act so as to eliminate delay in the start of projects; to the Committee on Agriculture.

By Mr. THOMPSON of Louisiana:

H. R. 11874. A bill authorizing a comprehensive project for control and progressive eradication of salt-marsh and other injurious mosquitoes in the coastal area of southwest Louisiana; to the Committee on Public Works.

By Mr. UDALL:

H. R. 11875. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11876. A bill to determine the rights and interests of the Navaho Tribe, Hopi Tribe, and individual Indians to the area set aside by Executive order of December 6, 1882, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11877. A bill to amend the act of April 19, 1950 (64 Stat. 44, 25 U. S. C. 631 et seq.) so as to permit the Navaho Indian Tribe to lease tribal lands for residential and other purposes for a term of not to exceed 99 years; to the Committee on Interior and Insular Affairs.

By Mr. VINSON:

H. R. 11878. A bill to extend the date upon which the Rubber Disposal Commission will terminate; to the Committee on Armed Services.

By Mr. WHITTEN:

H. R. 11879. A bill to provide for the reconveyance of all mineral interests in lands acquired by the United States for certain reservoir projects to former owners thereof, and for other purposes; to the Committee on Public Works.

By Mr. WAINWRIGHT:

H. J. Res. 652. Joint resolution to provide that the Secretary of the Interior shall accept that real property in New York, N. Y., known as the General Grant Monument and that it shall become the General Grant National Monument; to the Committee on Interior and Insular Affairs.

By Mr. JENKINS:

H. Con. Res. 255. Concurrent resolution authorizing the President of the United States to designate the month of February of each year as American History Month; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. Res. 550. Resolution creating a Special Committee on Foreign Aid Programs; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 11880. A bill for the relief of Pietro Rosa; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 11881. A bill for the relief of Vito Leggio; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 11882. A bill for the relief of Maria Schager; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 11883. A bill for the relief of Jose Vargas-Mercado; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 11884. A bill for the relief of Artemio N. Jangaon; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11885. A bill for the relief of Rajendra Paul; to the Committee on the Judiciary.

By Mr. SCUDDER:
H. R. 11886. A bill for the relief of Mary Carmelita Ottolina; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:
H. R. 11887. A bill for the relief of the estate of Leatha Horn; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1150. By Mr. HINSHAW: Petition of Mark J. Hanna, Pasadena, Calif., and 19 others residents of that area urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans Affairs.

1151. By Mr. JENKINS: Petition of 26 citizens of Athens County, Ohio, addressed to our Senator and Representatives in Congress, urging passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages; to the Committee on Interstate and Foreign Commerce.

1152. By the SPEAKER: Petition of Chosuke Ie, chairman, Committee for Expediting Settlement of Okinawan Land Problem, Tokyo, Tokyo, Japan, relative to resolutions passed by the Japanese House of Representatives and the Legislature of the Ryukyus on the restoration of Japanese administrative authority over Okinawa and on the Okinawan land requisitioned for military purposes; to the Committee on Foreign Affairs.

1153. Also, petition of the executive director, National Society of Professional Engineers, Washington, D. C., urging enactment of appropriate legislation in the public interest on revisions in navigational clearances requirements for highways and railroad bridges; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Ghost Writers

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 20, 1956

Mr. JACKSON. Mr. Speaker, in this day and time it seems to be commonplace to use ghost writers, but it seems rather unusual for two people to use the same ghost writer. In the Appendix of the daily CONGRESSIONAL RECORD for May 22, is an article allegedly written by Mr. Clyde T. Ellis, of the Rural Electric Cooperative Association. In the same issue of the CONGRESSIONAL RECORD is an article allegedly written by Mr. Claude R. Wickard, former Secretary of Agriculture.

The article signed by Mr. Ellis is 6 paragraphs in length. The last 4 paragraphs are identical, word for word, with the last 4 paragraphs of the article by Mr. Wickard.

These paragraphs warn that there are "certain interests who would like to eliminate entirely the REA cooperatives." The next sentence in these identical paragraphs mentions the Hoover report apparently attempting to convey the idea that the Hoover report recommends elimination of REA. Of course, this is not true and was evidently recognized as such by the writer since he did not say the Hoover report would destroy REA but merely tried to convey that thought by inference.

The Hoover Commission recommended that the Rural Electrification Administration be reorganized on a self-supporting basis—interest and fees should be sufficient to cover the cost of money and administrative expenses—that it secure its financing from private sources, and that as reorganized, it be made subject to the Government Corporation Control Act.

Many of the people in my district seem to agree that this is a good idea.

From this point the articles went on to make a plea for public-power development. Could it be that the public-power advocates are so hard up for support for their cause, even when not forthrightly presented, that they have to steal each others material without crediting the real writer?

Thailand Celebrates 24th Anniversary of National Day, June 24

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 20, 1956

Mr. POWELL. Mr. Speaker, I wish to send greetings to the people of Thailand, His Majesty Phumiphon Adundet, and His Excellency Pote Sarasin, Ambassador of Thailand, on the occasion of the celebration of the 24th anniversary of National Day, June 24, 1956.

Thailand enjoys the proud distinction of being the only nation in Southeast Asia, and one of the few on the Continent of Asia, which has been independent throughout its history. Although from the beginning of her history Thailand had been governed by a progressive monarchy, the people threw off the yoke of absolutism on June 24, 1932, and proclaimed a constitutional monarchy with the hopes that the new government might better meet the needs of the times.

She has known an area of unprecedented development, without regard to her internal and external security. The leaders of the nation have as their primary aim the development of the resources of the country in order to attain a better standard of living for the benefit of all its people. The Thai people along with the rest of the free world know that a free and prosperous people is communism's most formidable foe. Every well-founded and happy home is a fortress against tyranny, while poverty and wretchedness are its breeding ground.

It is Thai policy to maintain friendly relations with other nations. In amplification of this policy she has taken her place with the free nations in United Nations sessions, and has benefited greatly from membership. Thailand has maintained the best of friendly relations with the United States. It has welcomed American assistance in improving its economic well-being and keeping its political freedom.

Thailand's strategic position, its tradition as a free nation in Southeast Asia, and its opposition to communism give the country an important place in international affairs. It is an example and inspiration to other countries in the region who are engaged in the conflict with totalitarian aggression. As a bulwark against communism, the influence of the Thai may be beyond measure.

Again I salute Thailand and pray for continued mutual loyalty and respect between our countries and a continued strong purpose toward our peaceful aims.

Vice Admiral Francis C. Denebrink, USN

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 20, 1956

Mr. KEOGH. Mr. Speaker, after a long and honorable career in the United States Navy, Vice Adm. Francis C. Denebrink, USN, is retiring to inactive service.

At the beginning of World War I in 1917, Admiral Denebrink received his commission as a youthful ensign in the Navy. His service has spanned two world wars and the Korean conflict, and reached its zenith upon his promotion to the grade of vice admiral in 1952. He was one of the capable officers chosen to attend the Naval War College course in naval warfare. His excellent war service was recognized when he had conferred upon him the coveted Legion of Merit.

During the last years of his active service, Admiral Denebrink has been the able Commandant of the Military Sea Transportation Service, the organization that has done such a splendid job in transporting our Armed Forces across the seas of the world.

Upon his retirement from active service and upon his birthday, which he will celebrate tomorrow, Admiral Denebrink is to be congratulated by his many friends in the armed services and in civilian life. It is their sincere hope that he will have many years during which he may enjoy the fruits of his excellent service.

Address of Hon. William A. Purtell, of Connecticut, Nominating Hon. Prescott Bush, of Connecticut, and Excerpts From Keynote Address by Leonard W. Hall at the Connecticut Republican State Convention

EXTENSION OF REMARKS
OF
HON. BARRY M. GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 20, 1956

Mr. GOLDWATER. Mr. President, today, in Hartford, Conn., the Republican State Convention is being held; and this morning it was the pleasure of our colleague, the junior Senator from Connecticut [Mr. PURTELL] to place in nomination the name of a distinguished Member of this body, the senior Senator from Connecticut, PRESCOTT BUSH. I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the remarks by Senator PURTELL, as he placed the nomination before the convention, and also excerpts from the keynote address delivered by Leonard W. Hall.

There being no objection, the address and excerpts were ordered to be printed in the RECORD, as follows:

NOMINATING SPEECH OF UNITED STATES SENATOR WILLIAM A. PURTELL, CONNECTICUT REPUBLICAN STATE CONVENTION, BUSHNELL MEMORIAL, HARTFORD, CONN., JUNE 19, 1956

Mr. Chairman, distinguished guests, ladies and gentlemen of the convention, fellow Republicans all; it is indeed an honor to be given the opportunity of addressing this convention. It is a signal honor to be privileged to present to you for the highest office to which this convention can nominate a colleague and a friend.

Four years ago in like conventions, two candidates were honored by selection for the United States Senate. I shall be forever grateful to my party and to the convention delegates who selected me as one of those candidates. I shall be eternally grateful to the citizens of Connecticut for having elected me to the Senate of the United States. We were most fortunate as a party and as a people in the selection and election of another Republican candidate for the United States Senate—the man whose name it is my privilege to place in nomination here today.

A nominating speech should embody certain basic elements. It should present, and in concise form, a clear picture of the candidate, his qualifications and his record. Now, just what do we seek in a candidate? Prime considerations are integrity, purposeful action, balance and dedication to the service of the people and to the principles and policies of the Republican Party. Certainly we have seen those most important qualities displayed and demonstrated time and time again by the man it is my honor to nominate.

There is little that I can add to your knowledge of him. You know him, you respect him, you have great admiration for him as have his colleagues in the Senate, the members of the Cabinet and as has that inspired and dedicated leader—Dwight David Eisenhower.

For the sake of the record, let me review a bit. While his birthplace was Ohio, if years of residence in, and service to a State are to be counted, and, of course, they count, then he is more native than many born here. When a choice could be made as to where he would reside he unhesitatingly selected Fairfield County in the great State of Connecticut, not only as a place to live, but as a place to raise his fine family and as a place to work for and with his fellow man. For the past 32 years he has been not only a resident of Greenwich but a most active participant in the affairs of his community and his State, and yes, his party. His is a 32-year impressive record indeed.

He has a fine educational background which includes a bachelor of arts degree from Yale, the alma mater which has honored him with election to its board of trustees continuously since 1944. He is a veteran of World War I, having enlisted in the Connecticut National Guard as a private even before he was graduated from Yale. Before the war ended, he had won the bars of a captaincy in the field artillery—an accomplishment I speak of with great appreciation from my rank as a late but not lamented corporal in the A. E. F.

From college and the war he entered business in the realm of finance and attained a position of eminence that would have been impossible had he not possessed in substantial measure the fundamental attributes of pronounced ability, broad knowledge, integrity, and sound judgment.

Of him, too, it can be said that his private life has been as admirable as his public career has been illustrious. An exemplary father and husband he has been justly blessed with a devoted, charming, and capable wife, 5 fine children, and 9 wonderful grandchildren. He has been and is an active and prominent layman in his church, and in his home community of Greenwich he well deserves his place in the forefront of civic leadership.

Outstanding and commendable are all of these achievements, but that part of his life which I wish to emphasize here is his Republicanism and his lifelong devotion to the Republican Party and the ideals, principles, and policies for which it stands. In particular, I want to dwell briefly on his role in the United States Senate for it is there as a fellow Senator that I have seen him in action, and it is there in the Chamber of that body and in its committees that I have watched him reach a high level of respect, admiration, and recognition from his colleagues.

In the Senate of the United States he has worked tirelessly and unremittingly in behalf of our State and its local communities. He played a leading part in marshaling the forces of the Federal Government to aid our flood-stricken people. He was the leader in guiding through the Senate a program of flood insurance and flood protection. He played a major part in fighting for highway legislation beneficial not only to our State but to the Nation, both in economic growth and defense needs.

His interest in and concern for flood and other protections had been demonstrated long before the terrible disasters of last year. In 1954 it was the Bush Act—Public Law 71—which resulted in the hurricane study. He took the lead in steering this piece of legislation through the Congress. His work in the field of urban redevelopment needs no repetition here, nor does his support of a liberal housing program. He has displayed a deep interest in human needs and in the welfare of the people, not only of Connecticut, but of the country as a whole.

These are some of the reasons, but indeed not all, why I am happy to break precedent, if precedent breaking it is, to make this nominating speech here today at this convention of the Republican Party.

And I remember another convention, a convention which I and many of you attended in Chicago in 1952. You all recall, and I shall never forget, how ardently was espoused the cause of the man we selected at that convention. We chose not only the standard bearer of our party but, as he has since so ably demonstrated, we chose the standard bearer of this country and the free world. We selected and the people of this Nation overwhelmingly elected one of the great Americans—one who will in our history be recorded as one of the greatest of all Americans—our President—Dwight David Eisenhower.

Our party then in 1952 offered not only a great leader but a promise of a successful transition from war to peace. And that promise has been kept. The maiming and dying of American boys in Korea has been stopped. Economic stability has been restored in our own lives. Integrity and decency in Government now prevail. And added to all this, in the past 4 years we have seen real accomplishments in the area of human rights for all of our people. We have not given lip service to equal human rights. We have acted to make them a reality.

These were the promises made by the Republican Party. These were our goals. These too were the aspirations of the American people. They have been fulfilled. Yes, fulfilled under the administration, direction and inspiration of our President—Dwight Eisenhower.

These great achievements, and they have been great, have been accomplished because of the support and cooperation of other men as dedicated as he to the principles and policies he and they espouse, to the cause for which we have all fought shoulder to shoulder in and since 1952.

Under our system of government, wisely divided as it is into the executive, legislative, and judicial branches, President Eisenhower could have done but little without legislators who believed in, worked for and fought for the program which he advanced for the good of America and the world.

One of these stalwart legislators who fought courageously, vigorously, and effectively for the program of President Eisenhower is my colleague and my friend—the senior Senator from the sovereign State of Connecticut. To him no job has been too big, no task too small in the service of our people. He indeed has kept faith with the people who elected him to serve them, this State and this Nation in the United States Senate.

Above and beyond all these important considerations is his deep loyalty to, his unswerving faith in, his untiring support of and his personal friendship with our great leader Dwight David Eisenhower whose administration is a blessing to every man, woman, and child in this Nation and in the free world.

Mr. Chairman and delegates, it is now my privilege to place in nomination to succeed himself to the office of United States Senator the name of my colleague and my friend, the senior Senator from Connecticut—PRESCOTT BUSH, of Greenwich.

EXCERPTS FROM KEYNOTE ADDRESS BY LEONARD W. HALL AT CONNECTICUT REPUBLICAN STATE CONVENTION, BUSHNELL MEMORIAL, HARTFORD, CONN., JUNE 19, 1956

It is an inspiring thing to appear before this convention and witness the energy, spirit, and enthusiasm of the Republican Party of Connecticut.

For many years it has been almost literally true that as Connecticut goes, so goes the Union.

This year you face a challenge: You can make a clean sweep. You already have two fine Republican Senators of whom every resident of Connecticut can be proud. BILL PURTELL and PRES BUSH. This year you can return PRES BUSH to the Senate along with your fine Republican Congressmen, HORACE SEELY-BROWN, Jr., ALBERT W. CRETELLA, JAMES T. PATTERSON, ALBERT P. MORANO, ANTONI N. SADLAK, and to take the first district back from the Democrats.

With a fine young war veteran and business leader like Ed May scheduled to run for Congress on the Republican ticket in the first district, now you have a chance—a real fighting chance—to help give Ike what he needs to do his job, a Republican Congress.

This convention has met for the purpose, among others, of renominating PRES BUSH for Senator and TONI SADLAK for Congress man at Large. They both are a credit to the Republican Party, to the State of Connecticut, and to the Congress of the United States.

Senator BUSH has shown himself to be a worthy colleague of Senator PURTELL. PRES is a man of outstanding courage and integrity. His work for hurricane and flood relief, in and out of Congress, has made him a national figure. A recognized fiscal expert and a man of broad business experience, he showed his character and courage by voting against the natural-gas bill. His yeoman work for roads and public housing further marks him a true progressive who commands the respect of his colleagues and the affection of the people of Connecticut, without regard to party. And he has supported President Eisenhower's foreign policy 100 percent.

Connecticut did a great thing for America when it sent men like BUSH, PURTELL, and SADLAK to Congress. And this year Connecticut can do it again—if we all work hard as a team.

This year's primaries showed that the voters in the larger cities and industrial areas are turning to the Republican Party. That is why the First Congressional District gives us a real opportunity to make it a clean sweep in Connecticut. You can carry it for Eisenhower and the Republican Party, if we all work together, work hard, and fight hard for victory.

* * * * *

Fortunately, this year, as in 1952, the Republican candidates have a strong appeal to the large group of independent voters. The independents not only support the warmhearted, level-headed policies of the Eisenhower administration but they now realize that only a Republican Congress can be counted on to put those policies into effect.

This independent vote has decided the outcome of every Connecticut State election in the last generation. They are disgusted with the campaign promises that sought a Democrat Congress to support Ike in 1954, only to see that Congress turn and throttle the President's legislative program. They are bored with partisan politicking and annoyed with the Democrat campaign of misrepresentation and exaggeration.

* * * * *

We must all remember to tell the people, over and over again, that our message to America in 1956 rests on principles of government and respect for people. We stand on our record, and what a record it is.

Peace, prosperity, progress, coupled with principles of decency, honesty, and integrity in Government and above all concern for people in their homes, their rights, and their lives.

It is this record that is changing the political climate of the United States. These are the issues of the campaign and the Democrats can't meet them. So they are back at their old tricks of exaggeration, misrepresentation, fear and smear, doom and gloom.

The primaries are over and they have shown the country the internal weaknesses, the inconsistencies, the bickering, and squabbles that beset the Democrat Party.

No Republican need say any more about Mr. Stevenson than what has already been said by his own colleague, Senator KEFAUVER.

The Democrat primaries revealed an apathetic indifference to the principal contenders. First Senator KEFAUVER was ahead, then Governor Stevenson was ahead. But I would say that their efforts have failed to rouse any real enthusiasm within their own party.

* * * * *

The Democrats have tried—almost frantically at times—to find a real issue against the Republican Party and they have failed. They started with the gloom and doom predictions of another general depression. That fizzled and they tried Dixon-Yates, and giveaways, the hydrogen bomb, and a dozen others. They even tried to drag the newspapermen in with their silly charge of a one-party press.

But the fact is that the Democrats can't find any issue to stand up against the Eisenhower Republican record which has brought peace, prosperity, and progress to this great land of ours.

The Democrats are so short of issues that the other day Mr. Stevenson complained that the Republican prosperity was based only on money.

* * * * *

The overriding issue in this country today is peace, and the voters in my opinion will decide that President Eisenhower is best qualified to continue to lead us toward that goal.

President Eisenhower has given us not only peace but an unprecedented prosperity with that peace. This is something the Democrats could never do.

I believe the coming election will be decided on that simple issue which every American can understand.

* * * * *

It's up to us to work, to organize, and to bring out the biggest possible vote next November, because a big vote is an Eisenhower vote and a Republican vote and a vote for peace, prosperity, and progress.

Above all, it's up to us to work together as a team and to leave the feuding to the Democrats who today are bickering and squabbling over which of them will have the honor of taking a shellacking from Ike and Dick this November.

The Democrat Party is so disorganized and split that they called a meeting in Chicago last week to name a keynoter for their convention but could not get together on one name.

Yes; we can win. We must win. And we will win—but only if we organize, work, and fight—between now and election day.

And here in Connecticut you have the privilege and the duty to put your State at the head of the national parade, by sending PRES BUSH back to the Senate, by sending six Republican Congressmen to the House, and by giving President Eisenhower and DICK NIXON a resounding vote of confidence.

The Freedom Crusade

EXTENSION OF REMARKS
OF
HON. HUGH J. ADDONIZIO
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 20, 1956

Mr. ADDONIZIO. Mr. Speaker, I wish to associate myself wholeheartedly with the Freedom Crusade to effect the release of the Americans in captivity in Red China. Of the 13 who have been in confinement, 2 were released June 15, but they are still in Shanghai and our State Department has no further information on them.

The Freedom Crusade is a nationwide letter-writing campaign to Chairman Mao Tse-tung, head of Red China's government, politely petitioning the release of all the Americans still held prisoners by the Chinese Reds. This crusade has been launched by the Very Reverend Harold W. Rigney, SVD, a Divine Word missionary whose 10-year prison sentence in Red China was cut down to 4 years and 2 months by prayer, publicity, and letter writing. I am sure all Americans will respond willingly and generously to Father Rigney's plea in behalf of these prisoners. It is so little for each American to do, and every letter will be a powerful instrument in bringing these Americans back home.

I respectfully urge the membership to enlist the participation of their constituents in this noble crusade. All Americans must have a feeling of anger and sorrow when they think of their fellow Americans suffering prison life in Red China, and all should be willing to cooperate in the Freedom Crusade which can be productive of so much good.

Encouraging Foreign Investment Through Tax Legislation

EXTENSION OF REMARKS
OF
HON. THADDEUS M. MACHROWICZ
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 20, 1956

Mr. MACHROWICZ. Mr. Speaker, yesterday, June 19, 1956, I introduced H. R. 11838, a bill to encourage private United States investments in foreign countries by reducing the incidence of double taxation on taxpayers with more than 80 percent of their gross income from sources without the United States. I most strongly urge my colleagues to give this legislation their full support.

Our best insurance against a communistic world is to bolster the economies of our allies in foreign countries. A healthy economy and a high standard of living are rarely breeding grounds for communism. During the past decade the United States has been relying mainly on the foreign-aid programs to help the underdeveloped areas of the world to improve their economic conditions.

It is doubtful that we can continue to afford these costly foreign-aid programs. Our people are coming to the realization that private enterprise must gradually take over the burden of developing the economies of these countries. Competitive, free enterprise, which has developed the United States to its present high economic level, is the best exportable product the United States possesses.

However, in order to encourage the American investor to undertake the development of foreign natural resources, industries, and markets for United States goods, the investor must be placed on a competitive level with the investors from other capital exporting countries.

Under the present United States income-tax laws, the American investor in foreign countries is at a disadvantage with his competitors. The removal of

some of the tax obstacles would encourage him to take the risk of sending capital funds abroad, even in the face of exchange fluctuations, nationalistic tendencies, and the ever-present communistic influences.

One of the obstacles which causes an American investor to pay a combined foreign and United States tax in excess of the tax payable on the same investment made in the United States is the so-called per country limitation in the Internal Revenue Code.

The United States investor abroad cannot obtain in undeveloped foreign countries sufficient capital to develop and expand operations and must look to the United States capital market for funds. The fixed charges on these funds must be paid in United States dollars. Hence, the investor has found it necessary to invest in several countries; so that in the event the exchange and economic conditions in one country deteriorate then the fixed charges on the borrowings for the whole operation may be met with revenues from the other countries.

This diversity of investment in several countries is the same approach used by the United States in giving aid to several countries at the same time in its fight against communism. In this manner, if the aid to one country is ineffectual, the complete program will not be destroyed.

The per country limitation of the code does not recognize the business necessity of diversification and requires earnings and income taxes to be segregated by countries rather than allowing the taxpayer to consider the income and taxes from all countries as a single business unit. The total foreign income taxes paid are an expense of the entire operation and the fact that in some countries the tax rate is low and in others it is high should not prevent the use of the full foreign income taxes paid as an offset to the United States income tax.

The allocation of income and taxes by countries required by the per-country limitation often results in a combined foreign and United States tax rate in excess of the present 52-percent tax rate on United States income.

The original and basic intent of the foreign tax credit provisions of the code was to avoid double taxation of foreign income. These provisions have been of real value and without them a United States company could not possibly operate in a foreign country.

The removal of the overall limitation in the Revenue Act of 1954 should have been an impetus to the investor with United States source income to invest abroad, since it enabled him to use foreign income taxes as an offset to the tax on United States income. However, the removal of the overall limitation did not afford any tax relief to the investor who derives practically all of his income from sources without the United States. Such an investor does not have sufficient United States income against which foreign taxes could be applied. This investor must still bear the inequities brought about by the application of the per-country limitation.

In order to remove these inequities entirely and thus give full impetus to investment abroad, the per-country limitation on the use of foreign tax credits should be removed from the code completely. Though this would be reasonable and in the public interest, the Congress may not consider it feasible to take this action at the present time.

However, the per-country limitation should at least be made inapplicable to the taxpayer whose gross income qualifies as foreign source income under the provisions of subchapter N, part I, of the code. Such qualified taxpayers are the true foreign investors. With the assurance that their combined taxes will not exceed the United States tax rate, these are the organizations which will send capital funds abroad to further expand and develop industry and markets for United States goods.

House Resolution 541

EXTENSION OF REMARKS
OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1956

Mr. FASCELL. Mr. Speaker, last Thursday, June 14, 1956, I introduced House Resolution 541 which calls for disapproval of Reorganization Plan No. 2 of 1956. This proposes a separation of the Federal Savings and Loan Insurance Corporation from the Federal Home Loan Bank System. The proposed plan is undesirable in principle and deficient in technical draftsmanship and should be rejected. The affected agencies have never publicly proposed such a plan, nor has it the endorsement of any of the leaders of the savings and loan business which it affects.

Contrary to the explicit grounds for reorganization as defined in the Reorganization Act of 1949, Reorganization Plan No. 2 does not reduce the number of agencies, does not eliminate overlapping and duplication of effort, does not group or coordinate, or promote economy, or promote the better execution of laws, or increase efficiency.

The primary purpose of reorganization plans and the primary objective of the Hoover Commission was to promote economy. This proposed plan does the opposite. Where there is now a single board and a single agency, it would create two boards and two agencies. The Federal Savings and Loan Insurance Corporation and the Federal Home Loan Bank Board now use the same personnel for legal work, personnel work, publicity work, and so forth. The plan would require the establishment of separate departments to handle each of these functions.

Even the President's accompanying statement admits that it will not promote efficiency or economy by the following language:

> There will be a modest increase in the overall operating expenses of the Corporation and of the Federal Home Loan Bank Board which are financed from the receipts of assessments, fees, premiums and investment income of the Corporation and of the Board, not from ordinary Government appropriations.

In addition to these general objections about which more will be said later, there are certain technical inadequacies of great importance and which make the entire plan either illegal or contrary to all previous congressional intent. One blaring deficiency is that no term of office is provided for the trustees. In the Reorganization Act of 1949, as amended, it specifically prohibits increasing the term of office beyond that provided by law for such office, and in no event in excess of 4 years. Secondly, there is no requirement or provision in the reorganization plan that requires bipartisan appointment of the trustees. This gross omission would mean that the board of trustees of the Federal Savings and Loan Insurance Corporation could consist of three members of the same party.

Reorganization Plan No. 2 is in the opposite direction from the President's own declared intentions of reducing the number of independent agencies. Last year administration spokesmen opposed the establishment of an independent Federal Home Loan Bank Board, making the following statement:

> The administration believes that new independent agencies reporting to the President should be created only upon the showing of clear and compelling reasons for such action and of persuasive advantages to be derived from it. In signing the Housing Amendments of 1955, President Eisenhower stated: "I also have serious objections to the provisions of the bill which would create still another independent agency in the executive branch by detaching the Home Loan Bank Board, including the Federal Savings and Loan Insurance Corporation, from the Housing and Home Finance Agency."

Yet less than a year later the President is asking for the establishment of another new agency.

The administration cites the Hoover Commission report as one of the justifications for the proposed reorganization plan. There is a big difference between the Hoover Commission recommendation and this plan. The Commission report simply recommends that—

> No person be permitted to serve as a member of the Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation at the same time.

The reorganization plan, however, goes far beyond the personnel of the respective boards and requires the establishment of a separate agency and a separation of all personnel, records, and so forth. Ironically, the President's plan is not even consistent with the brief recommendation of the Commission. Under Reorganization Plan No. 2, the Federal Home Loan Bank Board Chairman would serve as a member of both the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation, and thus would be in violation of the Hoover Commission recommendation that no person serve on both the boards.

More significantly, the plan is directly opposite of the recommendation of the Hoover Commission task force on lending agencies which made a thorough

study of the operation of both the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation. The task force report on lending agencies concluded its discussion of the Federal Savings and Loan Insurance Corporation with this statement:

> Except for the general recommendation on management presented earlier in this report, the task force has no recommendation to offer with respect to the organization of this mutual insurance trust.

As a matter of fact, the task force specifically approved present organizational structure of the Board and Insurance Corporation with the statement on page 38:

> This appears to be a natural grouping of functions which requires no change.

Thus, the experts after careful study of this field, recommended the continuation of the organization as Congress has established it.

Conclusive evidence that the objective of the plan is, to say the least, on shaky ground, is borne out by the fact that the task force on lending agencies of the first Hoover Commission in 1949 recommended that the Federal Deposit Insurance Corporation be placed under the Federal Reserve Board. This recommendation is directly contrary to one of the basic arguments for separating the Federal Savings and Loan Insurance Corporation from the Federal Home Loan Bank Board; namely, because "the FDIC is an independent agency." As noted above, Reorganization Plan No. 2 is not a Hoover Commission recommendation and, in fact, violates the recommendations of both task forces and the overall Hoover Commission report. In addition to these inconsistencies, the Housing and Home Finance Administrator and the Chairman of the Federal Home Loan Bank Board have both, in the past, been recorded as opposed to the separation of the Insurance Corporation and the Board.

One of the most singular sections of the reorganization plan is section 3 (b), which in straight, simple language says that the Corporation and all the matters under the jurisdiction of the board of trustees shall be subject to the "direction and control of the President of the United States." To my knowledge, there is no precedent for this provision, and the question that comes to mind is what is the purpose and intent of this unusual provision? The Reorganization Plan No. 3 of 1947 dealing with housing agencies contained no such provision. Under present law, the Insurance Corporation reports to Congress, and Reorganization Plan No. 2 would appear to be an effort to bypass the Congress and have the agency solely and completely subservient to the President.

In reviewing the general effects of the plan the following points should be considered: First, it would increase the number of effective agencies by making two out of the one now existing; second, it would create duplication of reports, regulations, and so forth, both by the Government and the individual associations; third, it would add an additional group of high-salary-bracket employees to the operating expenses of the Insurance Corporation; fourth, the expenses of the Insurance Corporation are borne by the individual institutions, yet they were not consulted on this measure to increase these expenses; fifth, the law required that all Federal institutions, in effect, would still be controlled by the Federal Home Loan Bank Board, since they have the sole power to charter new member institutions; sixth, as a practical matter, the Insurance Corporation and the Board have always worked closely in supervising, regulating, and chartering institutions. In fact, the Insurance Corporation's regulations are sometimes used as a means of strengthening the operations of all savings and loan associations.

I urge my colleagues on both sides of the aisle to join in support of House Resolution 541.

Our Heritage of Freedom

EXTENSION OF REMARKS
OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 20, 1956

Mr. MANSFIELD. Mr. President, on June 3 I had the privilege and honor of delivering the address at the baccalaureate service at Montana State University, Missoula, Mont. I ask unanimous consent to have the address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR HERITAGE OF FREEDOM

Twenty-three years ago I sat, by the grace and benefaction of the university faculty, where you graduates are sitting today.

I thought then, as you must think now, that one of the few burdens of this pleasant week which marks the milestone of 4 years of accomplishment was that I had to be subjected to the remarks of some oldster who had been selected by some process which interested me very little to give the baccalaureate service. It seemed clear to me then that while I was very little interested in what he had to say, I was quite aware that he had very little idea, if any at all, of what I really thought about anything.

But I remember well that I suffered him in silence, and I hope only that you will do the same for me. There are some significant differences, however, between my situation then and your situation now.

For one thing, I had reached the age of 30 before I managed to earn my degree. Unless my judgment is failing, I suspect most of you have some years to go before you will reach that ripe old age.

For another thing, when this university conferred the degree of bachelor of arts on me, the United States was still in the depths of a depression and jobs were few. Today, from what I know and read in the help-wanted columns, most of you won't need to worry about finding jobs.

But probably the most significant difference in the situation of the college graduate today and the graduate of 20 years ago flows from the changed situation of the United States in the world. The fact that the United States in two decades has moved from a position of chosen isolationism to a position of unsought world leadership has a most profound effect on every person in this Nation.

In the early 1930's the United States had not recognized Russia; the high tariff policies of the 1920's were strangling our international trade; we were not a member of the League of Nations and had not even accepted the statute of the World Court.

The events taking place in Europe, such as the rise of Hitler, seemed of small importance. The activities of the Japanese in Manchuria were not of particular concern. My classes at this university in the fields of Far Eastern and Latin American history were not characterized by overenrollment. The Foreign Service of the United States numbered less than 700 in 1930, and the total number of employees in the Department of State was less than 5,000. Communism was a movement that didn't seem to be of particular concern to most Americans. It was not viewed as an international conspiracy threatening our freedom. Indeed, the Communist candidate for President of the United States polled more than 100,000 votes in 1932 and some 80,000 votes in 1936.

I cite these facts so we may contrast them with the present. Today we not only recognize the Soviet Union in the legal, diplomatic sense, but we recognize her in the physical sense as the leading protagonist of international communism which poses the greatest threat of our time to individual man's freedom. We today recognize internal, as well as international, communism as an abiding enemy of free people.

Since 1934 our international trade barriers have been gradually liberalized under the terms of the Reciprocal Trade Agreements Act. And we have not only joined the United Nations, we take pride in the leadership we took in establishing the U. N. and its peripheral specialized agencies in the fields of health, agriculture, aviation, education, and labor. We have joined the International Court of Justice, have accepted its jurisdiction, and have abided by its judgments.

Our lack of concern with world events in the 1930's has been replaced by household familiarity with geographic areas such as Formosa, Indonesia, Indochina, Pakistan, and India. Our children literally call world statesmen by their first names. We accept as fact the proposition that events in faraway places may be of vital concern to individual Americans. We show this concern today by a Foreign Service some 4 times as large as in 1930, by a State Department which now numbers its employees at over 10,000, and by the fact that in 1955 no less than 32,000 civilian Americans were employed overseas.

These things have a direct impact on you graduating students. The status of the United States as a great power and its bastion position as defender and protagonist of freedom increases the demand for the skills you possess or will acquire.

For the foreseeable future there will be a heavy demand for men and women with foreign language ability. It daily becomes more important that more Americans than ever before learn not only the common languages of Spanish, French, Portuguese, and Italian, but the more unusual languages such as Russian, Chinese, Japanese, and the dialects and tongues of south Asia and Africa.

Combined with language ability, there is a growing need for men and women with special skills. South America, by way of example, is headed for a tremendous industrial and transportation revolution during the next decade and there will be heavy demands for help in American know-how. How many diesel engineers can General Motors send to South America who will have a working knowledge of Spanish? How many television technicians know Portuguese? How many of Montana's mining engineers understand why

some Latin American states have nationalized their mineral resources?

Doctors, lawyers, teachers, psychologists, nutritionists, agronomists, mining engineers—there is scarcely a skill or profession for which there is not an international demand waiting to be satisfied. To the extent that worldwide needs for knowledge can be met by qualified Americans, we can expect to influence peoples. And I might add—to the extent the United States does not stand ready to help millions of people in neutralist states, there will be indoctrinated Communists ready to help them move toward a totalitarian life.

Now I know there are among you some who may ask why we should concern ourselves with the needs of other peoples. Why should I talk of trying to influence foreigners?

The main reason for our concern results from the fact that any diminution in the area of individual freedom, whether it results from fascism, communism, other forms of totalitarianism, or from the failure of dependent peoples to grow toward independence, threatens freedom in the United States. Undoubtedly, there are still among us some who view our relations with other nations as activities we could better do without, or in any event, matters about which only experts should be concerned. Too many of us, however, have seen wars that have taken a heavy toll of American lives, and that have disrupted our peaceful growth at home, to be indifferent to this interrelationship. We know that we cannot banish the problems of international relations by closing our eyes to them. We know we cannot—by voting Republican or Democrat—vote our international problems out of existence.

One observer put the matter clearly and trenchantly recently when he remarked, and I quote, "Every value that you and I cherish as free people, the things for which men have died on the battlefields of the world, all of the things that are woven together in the rich heritage that we call America, all of those values are in jeopardy because they cannot be preserved in a little vacuum called America. They must be preserved in the world in which powerful forces are at work threatening these basic values that we believe in."

The freedom we know will either expand and live, or be curtailed and die. Freedom is not a static thing which can be preserved in America and allowed to die elsewhere. What happens to the aspirations for liberty of the student in Indonesia will eventually effect the freedom of the men and women who walk the campus here in Missoula. I believe this thought was best expressed in a different time and a different age and in a smaller world. It was true then but it is much more true now. Let me read to you the famous words of John Donne, the 17th century poet and minister. They are taken from one of his sermons:

"No man is an island, entire of itself; every man is a piece of the continent, a part of the main; if a clod be washed away by the sea, Europe is the lesse, as well as if a promontorie were, as well as if a mannor of thy friends or of thine owne were; any man's death diminishes me, because I am involved in mankinde; and therefore never send to know for whom the bell tolls; it tolls for thee."

There are among us, of course, a few who search for a quick way to preserve freedom. They hope for the immediate creation of world government, for example, or to attain complete and universal disarmament overnight. I do not belittle the great efforts and devoted dedication of people who urge such projects as these—even though they may well be visionary. The point I make is that there is no quick, no cheap, and no easy way to attain a Utopia in which men and nations may live in peace and freedom.

A few days ago I read a newspaper dispatch from Denver which discussed a fad that is sweeping some parts of the country. It seems that there are drugstores which sell what is known as a happy pill. These pills are advertised as being able to restore peace of mind. But the Colorado State Medical Society has cautioned that none of these drugs is curative of anything. They are only palliatives.

I want to emphasize that there is no happy pill that this Nation can take which will get rid of our international ailments—that will guarantee peace. We may as well realize that the one certain prediction that we can make for the future of our international relations is that we are in for a prolonged period of difficulty and there is no palliative for that condition.

In contrast to those who seek the happy pill treatment for international tension, there are those who believe that the way to relieve international tension is to encourage it to erupt into violence. Some even suggest preventive war. Fortunately, the number of advocates of this course is small and since the development of hydrogen or thermonuclear weapons it has become even smaller.

The difference then, between the world you graduates face and the world my generation encountered 20 years ago is that the United States is now a part of the world. We could not isolate ourselves if we wanted to.

Yet as a part of the world—and probably the most important part—we cannot singlehandedly mold the world to our own image. But we can influence the direction in which the world moves by the quality of our character as a government, and as a people.

It is important that we do our level best to influence the direction the world moves because we are at the crossroads of a fundamental conflict. Superficially we often think of this conflict as one which involves the United States on one side, and the Soviet Union on the other. But the issue is more crucial. It stems from the basic antithesis between freedom and totalitarianism. Relations between the Soviet Union and the United States are only the surface evidence of the basic conflict. The basic question underlying this conflict is whether the state exists to serve the individual, or the individual exists to serve the state. If on the one hand the individual is to find his aspirations for spiritual, political, and economic growth always hemmed in by the demands of an omnipotent state, individual freedom will constantly be curtailed and eventually it will die. If on the other hand the state exists to provide a framework within which the individual may grow, we may expect the gradual expansion of the area of man's freedom.

The origin of the cleavage is not new, although it has been a long time in becoming apparent. Over a hundred years ago Alexis de Tocqueville foresaw the conflict and made a remarkable prediction. In his words: "To achieve its objective, America relies on personal interest, and gives full reign to the strength and reason of the individual. Russia centers all authority of society in a single man. The principal instrument of the former is freedom, of the latter slavery. Their points of departure are different, they follow different paths. Nonetheless, each of them seems intended through some secret design of providence to hold in its hands the destinies of half the world."

Here then are the two fundamental alternatives which face mankind. Although the United States may be able to accommodate itself to such international tensions as grow out of boundary disputes or trade disagreements without a significant curtailment of individual freedom in the United States, it is by no means certain that a further expansion of totalitarian communism would not have a direct and immediate impact on the future of freedom in this country. As I suggested earlier, freedom cannot be preserved in a vacuum.

This is not to say that the ideological clash must lead ultimately to war. But it does seem clear to me that this conflict holds a greater threat to the peace and security of the United States than any other foreign-policy issue which we face. Indeed, the most profound foreign-policy issues of our time revolve around the ideological clash of communism and freedom. Just as the destiny of this Nation during the past century was determined by our management of our domestic resources, our destiny in this century will be determined by the way we manage our external relations.

Ultimately, it seems to me, there are only three possible outcomes to this struggle between freedom and communism. First, there could be military conflict which would relieve the present tension by the drastic treatment of destroying life as we know it.

Second, there may eventually be a stalemate in which the conflicting systems may live in fear and in the sullen acceptance of each other's presence on the earth. This would be a solution in the pattern of the great religious conflicts of the middle ages. I personally doubt, however, that the conflict between communism and freedom will end in a stalemate of that kind.

The third alternative seems to me to be the most likely. There may in time be world evolution which will result ultimately in survival of the system that is most fit to the temper of mankind.

In suggesting this possible outcome to the struggle you may think me guilty of begging the question, and I am afraid that is the case. I do not know at this point whether in the long run man will choose to move more in the direction of totalitarianism or freedom. It is my personal belief that the future of mankind lies in freedom. But you ladies and gentlemen know as well as I how perverse a creature man sometimes is. Although we have made our choice in this country, there are still great uncommitted areas of the world where men have little awareness of the fundamentals of freedom. For them there can as yet be no clear choice based on adequate understanding of the alternatives.

We are now, of course, coexisting with Soviet communism. But neither communism nor democracy are static concepts. One or the other will ultimately prevail not necessarily by force of arms, but more likely, in my opinion, by force of spirit.

This is the first graduating class to which I could ever state my belief that a world war in your lifetime may be avoided. I make this statement not because of things that have been done by Democrats or Republicans, or because nations have learned to handle their international relations on a rational basis. I make this statement because of things that have been done by educated men. The men of science from many nations have, in their pursuit of knowledge, uncovered the means by which man may light the fires of atomic destruction. This capacity which at one time was a threat may now have become a benefit in disguise because any nation which might start a world conflagration may now reasonably expect to bring about its own destruction.

The realization of the world's great powers during the past year that another war would be likely to destroy all life has imposed the "peace of mutual terror" of which Sir Winston Churchill has spoken.

The Geneva Conference, called at the suggestion of Senator WALTER GEORGE, the distinguished chairman of the Senate Foreign Relations Committee, may have had its failures, but it did, in my opinion, crystallize the unspoken and unwritten understanding of the United States and the Soviet Union that neither of them can start a war, nor permit a situation between other powers

to deteriorate to the point where a great war threatens.

The significance of this situation, if my judgment be correct, is not that we should abandon our readiness to meet force with force should that prove necessary. The important point is that the conflict between totalitarianism and freedom will be decided by force of spirit rather than by force of arms.

This, I suggest, is a hopeful situation, because it is in this realm of spirit where I believe the United States has before it the greatest opportunity to lead. Our greatest opportunities to advance the concept of human liberty in the next decade are to be found in the moral, political, and economic fields and not in the military realm.

The future of human liberty as a concept for man to live by is being decided in two areas of the world. It is being decided in the United States where action will speak louder than words. It is being decided in those areas of the world in the vicinity of the Equator which have newly achieved their national independence or are now in the process of achieving it.

It would require another speech for me to consider the ways in which our conduct within the United States influences our relations with the rest of the world. I suggest, however, that what we do at home is far more important than what we say. The influence of this Nation on the world is determined by what we are in fact, not by what we think or say we are.

The future of individual freedom is also being decided in that part of the newly independent world which stretches more than half way around the globe from Indonesia to Morocco. This area of the earth has for generations known western civilization not so much as a clarion of liberty but as a source of exploitation. The western economic system which was known to the peoples of Asia was not the private enterprise we know in the United States characterized by respect for the rights of labor and a sense of responsibility to the community. Rather, Asia knew a capitalism of Charles Dickens' England, which, as a Justice of the Supreme Court has remarked, ran on a sweatshop basis, exploiting labor. It knew a capitalism that took great dividends out of a nation and in which a 25-percent return a year on capital was not uncommon.

The United States has been extremely active in the newly independent, underdeveloped areas of the world in recent years in attempting to show these areas that capitalism does not mean exploitation. We have spent more effort in these nations than all the rest of the free world and the Communist world put together. But I am not sure, despite our prodigious efforts, that all we have been doing is good. We must not make the mistake of believing that, because an operation is big, it is good. We have, I believe, placed undue stress on building defensive miltary umbrellas, oftentimes overlooking the concerns of the indigenous peoples who are immersed in problems of day-to-day survival. We have tended to give our economic assistance with principal emphasis on the idea that the recipient nations had to aline themselves in virtually every way with our own policies. Why help these nations move toward a better life unless they are willing to "stand up and be counted" has often been the contention.

The total impact of this kind of approach is that despite our bounty, we appear to many Asians as having a foreign policy focused on fear and arrogance. Any man who is fearful or arrogant is on the defensive, whether he knows it or not. Neither posture is fitting for a creative America.

Much of the world is not concerned with whether the United States opposes communism. We may as well realize that fact. Exhortations to others to share our opposition to communism have more often than not fallen on deaf ears. These people are not so much interested in what we are against, as in what we are for. They are not as much concerned with how much money we will put into a program designed primarily to assuage our own concern, as they are in sharing a partnership relationship with them as they struggle to improve the general lot of their lives.

What we should seek to create in our relations with the underdeveloped areas of the world is independence, not dependence. If we operate on the concept that the independent nations must either be with us or against us, we will in fact be creating satellites, not independent states, and a satellite has no strength of its own. If we condition assistance to these areas on the basis that they must be with us in opposition to something, we are in effect trying to buy mercenaries. Any state that can be bought is, in my opinion, not worth buying.

As long as we operate a foreign-aid program based on such a theory we are buying trouble. We will be buying tension as between ourselves and the states who hope for partnership instead of submission.

Our dealings with these new nations call for calm and caution on our part. We are not going to understand them and they will certainly not understand us if we view their future with pessimism and let our dealings with them be guided by passion.

I have suggested that there are two areas in which the future of man's freedom is being decided—in the United States by what we are, and in the uncommitted, underdeveloped areas of the world. The United States as a Nation and as a people exercises a tremendous influence in this battle for free men because the fundamentals of our Christian religion and our democratic form of government have always emphasized the importance of the individual.

Our religious attitude toward the individual is expressed by Christ's remark that not one sparrow should fall to the ground but that your Father would know. The Christian religion constantly emphasizes the importance of the individual.

Our form of government as well as our religion is also based on the ultimate importance of the individual. The Declaration of Independence states the "self-evident" truth that "all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their powers from the consent of the governed."

In other words, government and religion in the United States have promoted the growth of the individual in freedom and in spirit.

One of our great contemporary authors has written: "Nothing was ever created by two men. There are no good collaborations, whether in music, in art, in poetry, in mathematics, in philosophy. Once the miracle of creation has taken place, the group can build and extend it, but the group never invents anything. The preciousness lies in the lonely mind of man." But individual freedom is in danger from the attack of totalitarianism. The writer continues: "And now the forces marshaled around the concept of the group have declared a war of extermination on that preciousness, the mind of man. By disparagement, by starvation, by repressions, forced direction, and the stunning hammerblows of conditioning, the free roving mind is being pursued, roped, blunted, drugged."

The preciousness of our religion and our government lies in their ability to preserve and to promote the capability of every individual to make his unique contribution to the progress of mankind.

None of us can know the contribution he may make toward man's progress. Some may develop new ideas; others will improve on our physical surroundings; some will influence the lives of their companions; others will pass their heritage on to children capable of greater contributions than their parents. We each have the capacity to leave the world a better place than it was before us.

You may have heard the story of the rich and favored King who asked a wise Athenian whether he considered the King lucky. The answer was quick. "How can I tell. You aren't dead yet."

And this is, I suppose, a characteristic of the contributions we may make. Their total impact may not be known until we have passed on.

Man as an individual has laboriously struggled upward. He understands things today he did not understand last year or the year before. He has moved ahead step by step. He can continue this progress when his spirit and mind can operate in freedom. His growth will be stunted if his freedom is impaired.

It is for this reason that it is so important that we as individuals and as a nation shape our destiny toward protecting and promoting freedom within and without this Nation.

You young men and women gathered here today to take an important step in life are the product of a free people. You are here to carry on the heritage man has built. You are each fitting yourselves to make your unique contributions to man's progress so that he may live and grow in peace and in freedom.

The Flag: Our Heritage, Our Stay, Our Hope

EXTENSION OF REMARKS

OF

HON. PAUL CUNNINGHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1956

Mr. CUNNINGHAM. Mr. Speaker, on Thursday, June 14, our colleague, the Honorable FRED SCHWENGEL, of Iowa, had the honor of being the speaker at the Flag Day exercises on the Capitol steps, sponsored by the Department of the Potomac Woman's Relief Corps, Auxiliary to the Grand Army of the Republic. I have always been disturbed because I feel that the flag is a part of our heritage which we take too much for granted. Because it is always with us, we are all too prone to be passive about its value and meaning. Flag Day too often becomes just another day. Because Congressman SCHWENGEL has taken more than the ordinary interest in the Flag Day exercises both years that he has been here, and because his remarks can be an inspiration to the rest of us, I ask that his address be printed in the RECORD and commend it to every patriotic American:

THE FLAG: OUR HERITAGE, OUR STAY, AND OUR HOPE

This day, Flag Day, is consecrated to the glorious symbol of our United States. We have hailed it in love and devotion as Old Glory; we have sung its praise as the Star-Spangled Banner; we have cheered its colors, red, white, and blue; we have marched to the tune of The Stars and Stripes Forever. If the flag were only sentiment—if the flag

were only cloth, and colors, and a pattern—we should soon weary of the sentiment, and tire of looking at the cloth, always striped and starred, always red, and white, and blue. But the flag is more than we see. Its heritage must be understood, for it is more real than cloth, deeper than sentiment, more filled with light and life than any color could make it, more meaningful than any pattern. The schoolbooks and legends tell a hundred stories about how the pattern came to be, and what the colors symbolize. For the most part, many of these stories are fanciful, or, at best, of doubtful authenticity, but each story, even those drawn of fancy, add their bit to the pattern of American life and thought, and to the heritage that goes to build up the flag itself. Betsy Ross may not have taken up paper, and snipped it with her scissors to show George Washington how a five-pointed star could be made simply, but in thousands of kindergartens, and in the minds and hearts of millions of children growing up today, that story lives. Barbara Fritchie may not have waved her flag out of the window as Stonewall Jackson marched his Confederate troops through Frederick, Md., but that brave picture is a part of what we all see as we look at the flag today, and the story of courage and patriotic devotion, told in Whittier's ringing words, is a part of what we hear as the flag snaps in the wind. But do not think these legends live only in imagination and feeling. That would be soft and foolish sentiment. They may not be factual, but they do carry a deeper truth of symbolism. The simple story of Betsy Ross lingers in my mind as meaning that the highest authority in this land will consent to be taught by the most humble citizen, especially when that humble citizen has the knowledge that is available to all. It means that in our country pride and power must give way before reasoning and practical good sense. This is a characteristic that separated our young American Republic from the tired monarchies of Europe, where peasant and nobleman lived forever and unchangeably apart from each other. The story of Barbara Fritchie, romantically decorated as it may be, is the story of a courage that lived then and lives today in the hearts of American men, and women, and children. For one fictitious heroine so dramatically daring and so generously spared, there have been thousands and millions who have risked their lives with equal daring and stubbornness for the flag and for the Nation symbolized by its striped and starry folds. Let Betsy stand for each poor seamstress or laborer whose thought and work and spirit have gone into the building of this country. Let Barbara stand for the unconquerable soul of America, that stands up in each of us and is expressed year after year in different terms, by men and women, by soldiers and civilians, from Nathan Hale's beautiful phrase, "I only regret that I have but one life to lose for my country," to General McAuliffe's brief defiance, "Nuts." This sense, this equality, this energy, this courage, live in our true stories as much as in our legends, in our own lives, and in the lives of our ancestors as much as in our imaginations. The colors and patterns of the flag are the colors and patterns of our national heritage.

In our flag, as in our country, there is unity in variety. The stripes represent the Union of the Thirteen Original Colonies. The stars represent the Union of the present 48 States. But by their very existence in the flag, the stripes and the stars symbolize the fact that each Colony, each State, continues its existence as an individual entity, not merged in subjection to the absolute authority of a central government, but holding up its head in the federation of equal States just as the individual citizen in the Republic holds up his head as an equal among his fellow citizens. From the beginnings of our country until the present day, we have acknowledged one master, and only one. George Washington reminded us of this master in his Thanksgiving Proclamation of October 3, 1789, when he said that it is the duty of all nations to acknowledge the providence of Almighty God, to obey His will, to be grateful for His benefits, and humbly to implore His protection and favor. We, the people of the United States, expressed his idea when in 1954, we added the words "Under God" to the pledge of allegiance. When I look up to the flag, I see it as raised up in the sight of God, invoking His blessing upon our land and our people, and submitting all our actions to His will.

For liberty we and our ancestors have worked and prayed and fought. Our soil is rich with the blood of those who died for liberty, and the soil of our spirit, our heritage of honor, is abundantly rich with the memory of their sacrifice. Looking into the stars and stripes of the flag, at once united and separate, connected and independent, I think how our liberty is dependent upon our union. I remember the bold pun attributed to Benjamin Franklin:

We must all hang together, or assuredly we shall all hang separately."

I think of how Daniel Webster built up his reply to Hayne to the ringing climax:

"Liberty and union, now and forever, one and inseparable."

All this, our heritage of glorious words and brave deeds, is built into this wonderful banner we call our flag. As we look into the flag we see the independence of our Nation from all others, the independence of each State from all others, and the independence of each citizen from all others. But at the same moment, and in the same flag, we see that intimate union of equals in which the welfare of one is the welfare of all, and the welfare of all is the welfare of each one. Back in the time of World War II, the American poet Charles Malam expressed this thought simply and tellingly in his poem, Freedom, when he said:

"Freedom, wherein we shelter us together
Against the rage of time and prowling man,
Is as a house which in the angry weather
Looks out through storm to the horizon's span.
Whatever warmth and comfort there we know
Our labor and our heartbreak made it so."

This spirit of togetherness, this teamwork, this brotherhood, is what we must work for today to perfect. We have had too many jealousies: State against State, section against section, man against man. Let us look upon the flag today in the spirit of Daniel Webster's great saying: "One country, one Constitution, and one destiny." Let us build upon this heritage of the past a firm loyalty for the present. Let us keep our constitutional system of checks and balances—our Executive operating with skill and energy, our Legislature studying carefully and acting boldly, our judiciary true to the Constitution and the laws—all three independent of one another, but all three ultimately responsive to the considered and determinedly expressed will of the people.

As I look at the light thrown back from the flag, thus raised into the heavens, I remember how, James A. Garfield, out of his lifetime devotion to the Bible, and out of the tumult and stress of a terrible moment of history, rose to heights of eloquence. A crowd in New York, gathering on receipt of the news of the assassination of President Abraham Lincoln, was swelling and milling ominously, obviously on the verge of becoming a riotous mob, when Garfield, then a young Ohio Congressman, stepped out on the balcony of the customhouse. His commanding presence brought silence. The organ tones of his famous voice carried to the farthest reaches of the crowd as he said in that dramatic setting:

"Fellow citizens, clouds and darkness are around Him; His pavilion is dark waters and thick clouds; justice and judgment are the establishment of His throne; mercy and truth shall go before His face. God reigns and the Government at Washington still lives."

These were the words for that occasion, having a more than magical effect in calming the turbulent multitude, and changing an aimless terror to a constructive and faith-filled grief. But they were words for all time. As Garfield picked them up out of the age-old faith of Israel, and the eloquent language of the Old Testament, I take them now, charged with all the meaning in American history of their use by Garfield on that great and sorrowful occasion. They are the words of today, as of a century ago. "God reigns and the Government at Washington still lives." There is a sense in which the center of the United States is, for me, in Iowa, as for you it may be in New Mexico, or for you, in Maine. "The axis of the earth," said Emerson, "sticks out visibly through the center of each and every town or city." But for you, and for you, and for me, the center of the United States is, in a very real sense, right here in Washington—right here in the Capitol Building—right here in the flag that waves day and night overhead. Here is the center of Government, here is the place where the representatives of the people of the United States meet to carry out the will of those people, and at once rule and serve them, under the folds of this symbolic flag. A mile off, there, is the White House—and across the street, in that direction, the Supreme Court Building. Here we are, all three, joined in a partnership to rule and to serve under this flag.

But as the past leads into the present, and our heritage from the past is our possession of the present, so the present must be our preparation for the future. No one and nothing stands still. If we do not advance, we must slide back. Neither in our country as it is today, nor in our flag, the symbol of that country, can we see perfection as now present. What we see in flag and country is something better and brighter than perfection itself, for perfection would be a State from which our only possible progression would be downward. In these Stars and Stripes we must see hope itself—the hope that the growth our country has shown in the past, growth in courage, in selflessness, in devotion to the right, will continue and increase. The hope that we shall take and keep our rightful place as leaders for all the world—the hope that we in our time will more fully understand and practice the great admonitions of our forefathers so that the spirit of truth and freedom in the hearts of good people everywhere will know "the power of the United States is a menace to no nation or people. It will never be used in aggression or for the aggrandizement of any selfish interest of our own. It springs out of freedom and is for the service of freedom" (Woodrow Wilson, 1918).

The hope that all the nations of the world will know that what Woodrow Wilson once said, "A patriotic American is a man who is not niggardly and selfish in the things that he enjoys that make for human liberty and the rights of man. He wants to share them with the whole world, and he is never so proud of the great flag under which he lives as when it comes to mean to other people as well as to himself a symbol of hope and liberty. Liberty does not consist—in mere general declarations of the rights of men. It consists in the translation of those declarations into definite action."

Then let us not ever deceive ourselves into seeing our own advantage in another's loss, or our loss is his gain. In the spirit of cooperation and partnership there is a clue

to an undreamed-of future of peace and happiness and prosperity for all the world. The helpfulness that drives forward toward accomplishment for the good of neighbor and for the good of all, without thought of the individual or national self, is the spirit than can win the world in a far happier sense than any totalitarian political or military conquest.

This is the present, from which still we may build a future such as was envisoned by Henry Wadsworth Longfellow, when, in those dark days in which the war clouds of the Civil War were gathering, he looked upon the organ-like disposal of cannon in the Springfield Arsenal, and dreamed his dream of universal peace:

"Were half the power that fills the world with terror,
Were half the wealth bestowed on camps and courts,
Given to redeem the human mind from error,
There were no need of arsenals or forts:
The warrior's name would be name abhorred.
And every nation, that should lift again
Its hand against a brother, on its forehead
Would wear forevermore the curse of Cain.
Down the dark future, through long generations,
The echoing sounds grow fainter and then cease;
And like a bell, with solemn, sweet vibrations,
I hear once more the voice of Christ say, "Peace."
Peace, and no longer from its brazen portals
The blast of war's great organ shakes the skies.
But beautiful as songs of the immortals,
The holy melodies of love arise."

Let us then forever remember the rich heritage of fundamental truths that have come out of the past to point the way of a higher civilization and a better life and let us follow the admonition of Abraham Lincoln when he said on that memorable occasion at Gettysburg, "Let us dedicate ourselves to the unfinished task," being ever mindful of the important place we play in this terribly challenging time in our history.

An ancient seer once said that no doctrine, faith, or knowledge is of value to man except as it bears fruit in action. Let us then never be guilty of unconcern for and about the greatest government ever given to man and always do our part as a patriotic American in such a way that God will continue to bless America, and thus will our flag forever wave over the land of the free and the home of the brave.

Change Needed in the Administration's Near East Policy

EXTENSION OF REMARKS
OF
HON. T. JAMES TUMULTY
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 20, 1956

Mr. TUMULTY. Mr. Speaker, during the mutual security bill debate I raised the question why the United States foreign policy was aggressively friendly toward Tito, an enemy, while almost hostile toward our friend Israel. Developments in the Near East during the past few weeks confirm my judgment.

The Russian Foreign Minister has been making a triumphant tour of Arab countries, ready to fill the vacuum brought about by the British withdrawal from the Suez base; the parade of Communist weapons in Cairo was a frightening spectacle; and Arab leaders, Colonel Nasser, of Egypt, and the new Premier of Jordan, have made new, open, and belligerent threats against Israel. Meanwhile, that little democracy still cannot persuade the Department of State to let her have the jets she needs to defend herself from the Communist planes now in Egypt. The administration continues in a state of paralyzed neutralism—utterly inconsistent with the responsibilities of leadership in the worldwide defense of freedom. There should be a change in the administration's unrealistic policy.

Speech of Hon. A. L. Miller, of Nebraska, at 16th Annual Meeting of Institute of Food Technologists

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 20, 1956

Mr. MILLER of Nebraska. Mr. Speaker, under unanimous consent, I insert in the CONGRESSIONAL RECORD the following speech I made at the 16th annual meeting of the Institute of Food Technologists at St. Louis, Mo., June 11, 1956:

Mr. Chairman, honored guests, ladies and gentlemen, I feel honored to have the pleasure of appearing before this distinguished group of experts who deal with the problems of food chemistry and allied subjects. You are rendering a service to the public. As a physician and surgeon I was rendering a service to the public. It is not unlike serving in Congress where you also try to be of service to your constituents. As a physician people came to me seeking relief from pain or a physical condition—as a Member of Congress people either want something from government or they want to get government out of their hair. It's a service either way.

I pay my respects to you men and women who have made such a marvelous contribution to society through your efforts to improve the processing, the packaging and the handling of food. I have reviewed the program of your 16th annual meeting. It bears evidence that science marches on to unlock doors of the scientific tomorrow. The answers we find should bring additional blessings to mankind.

We who approach three-score years in life have seen in our lifetime more advancement in science, in technology and in the art of living than have any other equivalent period of history in this world. You and I have seen the coming of the automobile, the telephone, the radio, television, and a thousand and one gadgets that make life a little easier, and that give us more time to do the things we want to do in life. We have grown from the horse and buggy period to the jet-propelled plane that travels faster than the speed of sound. Guided missiles are on the trestle board which will travel 16,000 miles an hour and 300,000 feet in the air. The atomic-powered submarine the *Nautilus* is a reality. It is quite possible the ships of tomorrow may all be powered by atomic energy.

The medicine of today is far advanced over that day when I received my sheepskin to practice medicine and surgery in 1918. Many diseases have been conquered. It is estimated that 70 percent of the prescriptions being filled over the drugstore counter today were not thought of 15 years ago. I doubt if the next 40 years will witness the many changes that have taken place in our lifetime.

One of the significant changes in the last two decades has been that of the scientific improvements in the dynamic and rapidly growing business of food technology. You scientists in your meeting today have been dealing in research which has opened up new frontiers. You have helped to create new industries, new and better jobs, and more and better things for a growing America.

I believe the American standard of living is greatly benefited because of the new things that research has been able to accomplish.

Research is a process that involves basically no more than asking questions of nature and seeking the answers. What new promise will come tomorrow is still a secret to many of the chemists living today. There will always be unexplored horizons waiting for someone to unlock the mysterious door to future progress, and it takes a pioneering spirit, a never-give-up attitude to discover those horizons and open those formidable doors.

There is no question but what chemicals are needed in the preparation, preservation and use of food. Much progress has been made through research in the field of nutrition and other practical applications of chemicals, and the American public can take pride in the manner in which our scientists and industry have handled these delicate problems.

I was privileged to be a member of a Select Committee, known as the Delaney Group Committee, established in 1950. We held 59 public hearings in 1950, 1951, and 1952, and heard 217 witnesses who presented their views; witnesses from the American Public Health Association, New York Academy of Medicine, National Research Council, United States Public Health Service, United States Food and Drug Administration, United States Department of Agriculture, Association of State and Territorial Health Officers, American Cancer Society, Grocery Manufacturers of America, National Canners Association, National Agricultural Chemicals Association, Manufacturing Chemists' Association, American Plant Food Council, General Federation of Women's Clubs, Cooperative League of the U. S. A., American Home Economics Association, National Council of Farmer Cooperatives, National Grange, National Farmers Union, and others.

The select committee had this to say about food chemicals:

"The number of chemicals entering the food supply of the Nation has increased tremendously in the last decade. Chemical substances are being introduced into the production, processing, storage, packaging, and distribution of food at an ever-increasing rate. There is hardly a food sold in the market today which has not had some chemicals used on or in it at some stage in its production, processing, packaging, transportation, or storage. These foods include those eaten by every family, ranging from staples like bread to such luxury items as the maraschino cherry. Some eminent pharmacologists, toxicologists, physiologists, and nutritionists expressed the fear that many of the chemicals being added to food today have not been tested sufficiently to establish their nontoxicity and suitability for use in food. These scientists are not so much concerned with the acutely toxic compounds, whose harmfulness can readily be detected, as with those chemicals which may produce harmful effects only after being ingested for months or perhaps for years."

In the 84th Congress, several bills have been introduced that deal with chemicals in foods, the so-called food additives. Most of them attempt to regulate through the Department of Health, Education, and Welfare the quantitative and qualitative application of these additives. I know that unwise and excessive regulations, coupled with unwise and excessive administration, can do harm to any industry. We ought to create a favorable climate, taxwise as well as healthwise, if we are to promote the best interest of our cause. American industry must be encouraged to produce more and better goods. They ought to be produced at continually lowering prices because technical progress has shown the way. All legislation dealing with the question of chemicals in food should point the way to better living conditions. If the standard of living is lowered, we are going in the wrong direction.

It is recognized that present law does not provide adequate safeguards to guarantee a food supply absolutely free of injury to the public health. The consuming public requires more protection.

While industry has done a good job, we all know that in a tough economic world there is always someone ready to cut corners. That is why the public needs protection from those who might be less scrupulous than the large majority of the food and chemical industry.

Chemicals, antibiotics, and other things that made food better are essential to many manufactured items. The proper use of chemicals and other methods of handling, preparing, and storing food has reduced the cost of food and has kept it at a higher quality. Your technology group should have a great influence in shaping future legislation.

It is my opinion that the horizons of tomorrow will show still further progress for the food and chemical industry. The scientists are uncovering the secrets of nature and helping us weave a new fabric of life that will be even more pleasant than the one we enjoy today.

The interest in food and drug administration is countrywide. It is a subject that needs careful handling. We should not make the public hysterical. We should have composure and an objective view if we are to approach the problem in the interest of the public.

We should be sure that any new chemical is safe before permitting its application to the public food supply and that it will benefit the consumer. Now, by "benefit to the consumer" I do not believe this should be confined solely to a showing of functional value. We must recognize that foods with taste appeal, eye appeal, or sales appeal in many instances benefit the consumer just as they benefit the manufacturer and the dealer, to say nothing of the "ad man." It should be the responsibility of industry to thoroughly pretest the food additive before it is made available to the consumer.

We should never have a law which might permit untested chemicals to be introduced into food, but as the law now stands, they can be introduced into food, and the burden rests with enforcement agencies to determine whether or not they are injurious to the public health.

The bill that I have introduced, while covering all phases of chemicals in food, does set up a panel or council which is advisory and may be used by the Food and Drug Administration or by industry when a dispute on a chemical arises. A panel will be selected from the members of the Academy of Science. Let me emphasize that they are merely advisory. If industry is not satisfied it may then appeal to the courts who would then make an adjudication between the opposing parties. In the meantime the new chemical could not be introduced into the food until the final decision is made. The bill requires prompt action and eliminates long delays.

There is a great need to fill the gap which seems to exist in the present law which permits untested and inadequately tested chemicals to enter the food supply. This country is fortunate that we have a high-class group of gentlemen dealing with chemicals and food problems, and so the problems are less frequent than might be supposed.

The number of bills that have been introduced which deal with this subject indicate the desirability of such legislation, and the varied approaches emphasize that there is no universal agreement on the method for dealing with the problem.

It is a technical subject. It deals with technical, scientific problems for which there are no ready or easy answers. It is also a delicate problem, because, in considering in this legislation the desirability of a mechanism for the protection of the public health, we must not lose sight of the overriding principle that free enterprise must be encouraged in its constant research for a better, a more attractive, a more abundant, and a safer food supply for the American public.

The bill I introduced in this Congress defines new food additives as "any substance or treatment used, directly or indirectly, in or on food for the purpose of affecting the appearance, flavor, texture, or storage property of such food, or for the purpose of otherwise altering the quality or property of such food, which is not recognized among experts qualified by scientific training and experience to evaluate the safety of food, to be safe for use under the conditions of such use or intended use."

In other words, this definition confers jurisdiction in the Department of Health, Education and Welfare to apply the procedural sanctions of this bill to any substance or treatment used in or on food if, in the quantity and manner of use, the substance is not recognized as safe by qualified scientists.

There are many food additives now in use that are safe and are recognized as safe. There are many food additives now in use about which we have little scientific knowledge, but which have been used without any laboratory or practical evidence of hazard to the public health. It is my feeling that legislation requiring exhaustive laboratory analysis, pretesting and reporting of the old, recognized, safe additives would serve no useful purpose and would be unduly burdensome upon both industry and Government. They should come under the so-called grandfather clause provision. If, however, evidence—scientific evidence—should be developed in the laboratory or otherwise that an additive in use presents a reasonable probability of injury to health, the industry marketing that additive should be made to examine and reexamine its data and subject this additive to the scrutiny of the Department under this law.

Most of the bills that have been introduced on this subject agree, at least in principle, with this statement of the objectives of such legislation and with the jurisdiction which should be conferred upon the Department of Health, Education, and Welfare as its enforcement agency. The bills all quite uniformly agree that any industry proposing to market a substance that comes within the definition of a "new food additive" should submit a report of the scientific pretesting that has gone into development of the substance to the Department. The bills also are in material agreement on what the report should contain, and they all agree that the Secretary of Health, Education, and Welfare should have certain power over the use of chemicals and other added substances in our food supply.

The significant division in thinking appears in the procedures that are to be established. Here again, however, we all agree that the public health is paramount, and we all agree that the magnificent progress of American industry must not be blocked by an unwise delegation of power to a Government agency. The procedures established by these bills all have this purpose in mind.

We are dealing here with a problem that is primarily scientific, and secondarily legal. The problem of "what is safe for public health purposes" is essentially one within the knowledge of scientists who are qualified by training and experience to evaluate safety factors.

I believe the primary responsibility for evaluating the safety of new food additives should fall upon an advisory committee, composed of scientists. Any industry proposing to market a new food additive, after submitting its report of pretesting to the Secretary, may request that an advisory committee be appointed to examine the report of pretesting, and, after completing its examination, to submit recommendations to the Secretary. It does give the applicant and the Secretary the benefit of the knowledge and the impartiality of a board of experts. Their independent and impartial knowledge can act as a brake upon any inclination that might appear on the part of the Secretary to exercise arbitrary and unreasonable control over industry. It can also serve as an arbiter between industry and the Department if sharp differences develop. The committee can be requested and consulted by the Secretary, just as it can by the applicant industry.

The advisory committee device has proved itself well in another facet of the food field since the enactment of Public Law 518 of the 83d Congress. That law, of course, deals with the use of pesticide chemicals, or the Miller bill. It established advisory committees to make recommendations to the Secretary on pesticide chemical tolerances. I have followed the same framework in writing the advisory committee into new food legislation.

To those who fear the use of the advisory committee and suggest that it would become a tool in the hands of a capricious Department, may I say that on the only occasion when an advisory committee has been consulted under Public Law 518, the Committee's recommendations were contrary to the opinion of the Secretary, but the Secretary subsequently followed the recommendations of the committee.

The Secretary is given authority to write regulations that will define the use of a new food additive. If the applicant, or any party adversely affected wishes to protest the regulations, he may file objections thereto and proceed to public hearing in the Department. The Secretary will then proceed to issue an order pursuant to the findings at the hearing, and the applicant's recourse is to the circuit court of appeals.

Again, let me say I am honored to appear before this distinguished group. I trust that in your deliberation you will give some thought to not only the new legislation but the type of legislation that will be best suited to a growing, dynamic America—the type of legislation that will best protect the health of America and provide the incentive for continued research in food technology.

Your land, America, is a dynamic, growing Nation. Many of the good things of life that we enjoy come about because devoted men and women of science have worked hard and long to make our land a better place to live. We have grown from the Thirteen Original Colonies with 3 million people to 48 States with 167 million people. You are a part of this parade of progress and I am sure you will continue to make scientific contributions that will be in the interests of future generations.